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TRADE AND DEVELOPMENT BOARD Commission on Enterprise, Business Facilitation and Development Ad Hoc Expert Meeting on Building Skills in Developing Countries: Training, Networking and ICTs Geneva, 27–28 November 2006

# REPORT OF THE AD HOC EXPERT MEETING ON BUILDING SKILLS IN DEVELOPING COUNTRIES: TRAINING, NETWORKING AND ICTs

Held at the Palais des Nations, Geneva, from 27 to 28 November 2006

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# Chapter I

#### CHAIRPERSON'S SUMMARY

1. In accordance with its agenda, the Ad Hoc Expert Meeting on Building Skills in Developing Countries: Training, Networking and ICTs discussed the role of national, regional and international efforts to enhance the training and research capacities of developing countries in the field of trade.

#### Trade for development and current obstacles

2. Experts recognized that trade should form an integral part of countries' development strategies, providing opportunities for economic growth and poverty reduction. However, several contributors also highlighted a number of caveats. Tariff and non-tariff barriers still pose considerable obstacles to developing countries' ability to use trade as an engine of development, and supply-side constraints, in particular in the least developed countries, result in a lack of products to export.

3. Additionally, some contributors observed that there remains a lack of recognition of the importance of trade for countries' economic and social development. It is only recently that trade started to be integrated into PRSPs, for example. There are still imbalances of power between the trade ministry and other more influential ministries, such as the ministry of finance or planning, which are reflected in the allocations of state funds to different projects and programmes. Budgetary contributions from the Government for trade education, training and research have not become commonplace yet, for instance.

#### Coherence and coordination in the capacity building process

4. Experts therefore noted that there should be more coordination between government ministries to strengthen the role of trade and trade policy in development strategies, as well as coherence with other areas of government policy, such as education. Reflecting these comments, other experts also called for improved coordination and dialogue between the private sector and government, so that policy can better address business needs. Participants also drew attention to the need for more coherence between donor-supported programmes and national-level capacity-building initiatives. Equally, it is important to improve the coordination among donors and international organizations in order to avoid overlap, duplication and saturation.

# Adaptation and updating of knowledge and skills

5. All countries need training programmes tailored to their level of economic and social development and the development path that they have chosen. For this reason, capacity-building measures should be adapted to and determined by local conditions, and driven by local efforts. One expert recommended, for example, that training materials should be available without copyright restrictions so that they could be freely adapted by different users. Given the dynamic nature of trade issues, a number of speakers also noted the imperative to continually update trade knowledge and skills.

# Balancing foundation education and vocational training: implications for institutional development

6. Experts stated that there is a need for foundation training on trade issues, which hitherto has been lacking in many developing country university programmes. Reasons for this include a lack of teaching capacity, the low priority of trade in development policies and the insufficient demand for specialized courses at the national level. Consequently, the fact that people working in trade ministries and other trade positions often do not have a specialized trade background may impair the effectiveness of vocational training workshops and short-term courses addressing very specific training needs. To resolve this, one expert recommended that trade programmes should be institutionalized at the university level.

7. A number of experts recognized that building trade capacity, and in particular institutional capacity, is a long-term process resulting in delayed returns on human resource investment. In one case, an expert cited the example of a master's programme being conceived in 1997 and taking a further seven years to launch its first year of studies. A second expert gave the example of a master's course that was donor-supported and delivered for three years, during which time the course was gradually taken over by the local institution involved so as to become locally run by the fourth year.

# **Regional and national programmes**

8. Experts argued that networked regional and international arrangements often address the problems of insufficient national capacity to teach and research trade issues, as well as the need to consolidate resources where demand is low. Additionally, networks can also be cost-effective, as they produce economies of scale. However, one expert said that regional arrangements could encounter problems if the members involved have different specific national characteristics that are not mutually relevant. Collaboration between network members over such things as administrative structures or course outlines will therefore be necessary to ensure the success of a network.

9. One expert observed that South-South research networks in particular are an efficient response to low levels of capacity in developing countries. Additionally, they also raise the profile of researchers and their work among Governments. This strengthens the credibility of researchers and makes it more likely that their expertise will be used again in the future.

# Creating the conditions for a sustainable research capacity

10. The creation of a local and/or regional home-grown research capacity is a long-term process. It will take time for graduates to come through master's and PhD programmes and gain the necessary skills for research. Prior to this stage, however, there is a need to strengthen the provision of foundation knowledge on trade issues in BA and master's programmes.

11. In this context, experts also discussed the principal aims of regional research networks. These networks should first of all generate high-quality and policy-relevant analysis. Additionally, they can also support the process of building analytical capacities by promoting joint research and bringing together researchers from different countries in the region. One expert remarked, however, that in order to guarantee the quality of the analysis provided by regional research networks, researchers' skills will have to be raised to a comparable level. There are therefore limitations to the capacity-building role of research

networks, and stakeholders should take into account that education institutions have to be strengthened to provide the basis for complementary initiatives such as regional networks.

# Linking researchers and their work to the policy making process

12. Experts discussed to what extent research is necessarily demand-driven by Governments and to what extent researchers should identify and shape the research agenda themselves. Given the length of time it takes to conduct empirical research, experts recommended that the role of researchers should be to anticipate and identify future research questions that will become relevant for the policy-making environment in the future, not only to respond to current needs articulated by the Government.

13. Even if research is demand-driven, there may still be many other factors influencing the decision-making process at the political level, from interest groups to public resistance to budgetary constraints. These factors, among others, will therefore dictate whether, and at what stage, research is taken up and used by policy makers. Several experts commented that the findings of researchers should be more widely disseminated among the general public, through outlets such as the media, to ensure that there is greater public acceptance of policy recommendations and thus a greater chance of research uptake. In countries where there are regular changes of government, it also promotes the continuity of policy decisions.

14. Experts also considered what research Governments use and why they might privilege advice and information from one source over another. Several factors were identified as important for researchers in gaining the trust of Governments and building their credibility in the eyes of policy makers. In this regard, one expert drew attention to the need for researchers to be completely honest in their use of data and with the presentation of their assumptions and results. Another expert advised that it is preferable for researchers to be candid and present all outcomes and scenarios, even if the results conflict.

# Measuring the impact of capacity-building efforts

15. The importance of evaluating TRCB-projects with regard to their efficiency, effectiveness and impact was highlighted by several experts. Evaluation mechanisms are important for ensuring quality, and are also required to justify the use of resources (including funding received from donors). Further funding is usually conditional upon successful evaluation and assessment. Identifying relevant quantitative and qualitative impact measures in this area however, is not an easy undertaking.

16. One expert pointed out that, when assessing the "return on investment" of capacitybuilding projects, a distinction should be made between education and training. Education is for the benefit of an individual person's learning, while training aims at individual learning and application at the job site, e.g. the ministry of trade. In the case of short-term training, which develops specific skills, it may be possible to give quantitative measures of how many people have been trained, and the skills may also be used directly after training. The effectiveness and impact of long-term capacity-building, for example through university degree programmes, will not, however, be easily measurable.

17. One expert also questioned the criteria one should use to evaluate programmes: should capacity-building in the area of trade and development primarily promote critical thinking, e.g. on a country's negotiating position, or should it provide standardized tools, such as the ability to write an agreement? Experts underlined that all evaluation mechanisms should involve both donors and beneficiaries, and suggested that a comprehensive needs

analysis, as in the Trade Diagnostic Studies, is a prerequisite for efficient and effective traderelated capacity-building.

# Funding for TRCB and providing aid for trade

18. As one participant remarked, the debate on financing has shifted over the past 15 years from a position emphasizing "trade not aid" to one advocating "aid for trade". The Meeting acknowledged that developing countries may need assistance in strengthening their supply capacity to benefit fully from integration into the world economy. However, several experts observed that there are difficult choices involved in spending money on programmes that seek to build the supply-side capacity of developing countries, and potential conflicts of interest sometimes emerge.

19. Donors have to prioritize how they distribute their assistance: not only are their resources limited but, as one participant pointed out, it is not always straightforward to find the right partner to give money to. Given the limitations of donor funds, it is important to help countries assess correctly the possibilities of trade for growth and wealth creation, so that they include trade in national development plans and Poverty Reduction Strategy Papers (PRSPs), for instance.

20. This point was echoed by another expert who questioned whether a lack of financial support for trade and trade-related capacity building is the problem, or whether a lack of awareness of the potential of trade among Governments is in fact the real problem. Furthermore, the expert commented that few African Governments invest in trade-related education through the budget: "it all comes from donors". As a first step, developing countries could perhaps increase budgetary commitments to trade-related capacity building, such as trade-related university courses.

21. Experts commented on the benefits of development aid being distributed multilaterally in contrast with current and proposed bilateral arrangements in which donors providing funding for trade-related technical assistance can find themselves negotiating opposite the beneficiaries of the assistance. One expert commented that, just as trade is not a national matter, so efforts to distribute aid for trade should not be left to individual donors or countries. Another participant observed that the private sector could play a larger role in financing capacity-building programmes.

# Role of international organizations in trade-related capacity building

22. Participants' discussions often focused on the role of international agencies, including UNCTAD, in delivering and supporting capacity-building efforts. One contributor remarked that UNCTAD provides a wider perspective on trade issues which emphasizes a systemic, development-oriented approach to international trade, investment and finance. Given the importance of this approach to developing countries, UNCTAD should continue to develop training that reflects this view of international trade, as well as its support for the strengthening of local capacities in this area, as provided by the Virtual Institute, TrainforTrade and courses on Key Issues on the International Economic Agenda. Developing countries are often not fully aware of UNCTAD's work, which may be overshadowed by more visible organizations. UNCTAD should therefore strengthen the dissemination of its work and material through all channels, one of which is capacity building.

23. In the field of research, international organizations could also act as "honest brokers" between researchers and policy makers, facilitating communication between the two and offering other services such as peer review and mediation between interest groups.

24. In relation to UNCTAD's further work on trade-related capacity building, several experts also called for a follow-up to the expert meeting, with the possibility of similar meetings on the topic in the future. In this context, they recommended that UNCTAD continue its analytical work on the topic, in particular by collecting and analysing evidence from country experiences, and that it provide opportunities for exchanges and debates with regard to best practices in the development of capacities for trade.

25. Additionally, one expert emphasized that UNCTAD should continue working together in partnership with other organizations in the field at the national, regional and international levels to provide solutions to countries' capacity-building needs.

#### **Cross-cutting themes from the four sessions**

26. Over the two days of the Meeting, several cross-cutting themes emerged from the discussions. Foremost was the need for locally determined and delivered training and research programmes that are embedded in developing countries' institutions. Secondly, experts repeatedly drew attention to the need for coordination and coherence between actors and organizations at the national, regional and international levels. Thirdly, ICT was a recurring theme in discussions, spotlighted for its role as a tool that can be used in supporting networks, training and research. And finally, experts agreed that capacity-building efforts should address all stakeholders, such as academia, policy makers, and the private sector.

#### **Chapter II**

#### **ORGANIZATIONAL MATTERS**

#### A. Convening of the Expert Meeting

27. The Ad Hoc Expert Meeting on Building Skills in Developing Countries: Training, Networking, ICTs was opened at the Palais des Nations, Geneva, on 27 November 2006 by Ms. Anh-Nga Tran-Nguyen, Director, Division for Services Infrastructure for Development and Trade Efficiency, UNCTAD.

#### **B.** Election of officers

(Agenda item 1)

28. At its opening session, the Expert Meeting elected the following officers to serve on its bureau:

Chairperson:Mr. Samuel Amehou (Benin)Vice-Chairperson-cum-Rapporteur:Mr. Darius Kurek (Switzerland)

# **C.** Adoption of the agenda and organization of work (Agenda item 2)

29. At the same session, the Expert Meeting adopted the provisional agenda circulated in document TD/B/COM.3/AHM.1/1. The agenda of the meeting was thus as follows:

- 1. Election of officers
- 2. Adoption of the agenda and organization of work
- 3. Building skills in developing countries: training, networking and ICTs
- 4. Adoption of the report of the meeting

#### **D.** Documentation

30. For its consideration of the substantive agenda item, the Expert Meeting had before it an issues note prepared by the UNCTAD secretariat: "Building trade-related skills in developing countries: training, networking and ICTs" (TD/B/COM.3/AHM.1/2).

# **E.** Adoption of the report of the Meeting (A gamba i tarm 4)

(Agenda item 4)

31. At its closing session, the Expert Meeting authorized the Rapporteur to prepare the final report of the Meeting under the authority of the Chairperson.

#### Annex

# ATTENDANCE<sup>1</sup>

1. Experts from the following States members of UNCTAD attended the Meeting:

Algeria	Jordan
Angola	Madagascar
Argentina	Malaysia
Bahrain	Mali
Bangladesh	Oman
Benin	Peru
Bolivia	Philippines
Brazil	Poland
Cambodia	Portugal
Cameroon	Russian Federation
China	Saudi Arabia
Colombia	Spain
Congo	Switzerland
El Salvador	Thailand
Finland	The former Yugoslav Republic of
France	Macedonia
Germany	Tunisia
Haiti	United Kingdom of Great Britain
Honduras	and Northern Ireland
India	United States of America
Iran (Islamic Republic of)	Viet Nam
Italy	Yemen

2. The following intergovernmental organizations were represented at the Meeting:

African Union European Free Trade Association League of Arab States South Centre

# 3. The following United Nations agencies were represented at the Meeting:

Economic Commission for Africa International Trade Centre United Nations Commission on International Trade Law

<sup>&</sup>lt;sup>1</sup> For the list of participants, see TD/B/COM.3/AHM.1/INF.1.

4. The following specialized agency was represented at the Meeting:

United Nations Industrial Development Organization

5. The following non-governmental organizations attended the Meeting:

General Category

BPW International Engineers of the World International Confederation of Free Trade Unions Ocaproce International

- 6. The following panellists attended the Meeting:
  - H.E. Mr. Toufiq Ali, Ambassador, Permanent Mission of Bangladesh, Geneva
  - Mr. Francis Matambalya, Professor, University of Dar-es-Salaam, United Republic of Tanzania
  - Mr. Dario Celaya Alvarez, Counsellor, Permanent Mission of Argentina, Geneva
  - Mr. David Vivas-Eugui, Program Manager, Intellectual Property, Technology and Services, International Centre for Trade and Sustainable Development (ICTSD)
  - Mr. Raymond Saner, Professor, Organisation and International Management, University of Basle, Switzerland
  - Mr. Moustapha Kassé, Professor, University of Dakar, Senegal
  - Ms. Sarah Geddes, Centre for Trade Policy and Law, Canada
  - Ms. Anna Olefir, Chair of International Trade, Vadym Hetman Kiev National Economic University, Ukraine
  - Mr. Yuvaroath Tan, Deputy Chief of Services Bureau, Ministry of Commerce, Cambodia
  - Mr. Claude Lishou, Professor, University of Dakar, Senegal (by video conference)
  - Mr. Mukwanason Hyuha, Manager, Collaborative PhD Programme, African Economic Research Consortium
  - Mr. Yann Duval, Deputy Coordinator, Asia-Pacific Research and Training Network on Trade (ARTNeT), UNESCAP (by video conference)
  - Mr. Samir Radwan, Managing Director, Economic Research Forum, Egypt
  - Mr. Vicente Yu, Global Governance for Development Program, South Centre
  - Mr. Sam Laird, Visiting Professor, World Trade Institute, Berne, Switzerland and Special Professor of International Economics, University of Nottingham
  - Ms. Sheila Page, Overseas Development Institute (ODI)
  - Mr. Edward Brown, First Secretary, Permanent Mission of the United Kingdom, Geneva
  - Mr. Amr Aljowaily, First Secretary, Permanent Mission of Egypt, Geneva
  - Mr. Mukwanason Hyuha, Manager, Collaborative PhD Programme, African Economic Research Consortium

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