

**UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
(UNCTAD)**

Support to NEPAD

Period of Report: July 2007 to June 2008

The contribution of UNCTAD to NEPAD takes various forms: analysis of Africa's development challenges and policy recommendations, advisory services, technical assistance and advocacy. In its capacity building activities, UNCTAD collaborates closely with other agencies, notably WTO and ITC in the implementation of the Joint Integrated Technical Assistance Programme (JITAP). UNCTAD is also one of the six partner institutions (with WTO, ITC, UNDP, World Bank and IMF) involved in implementing the Integrated Framework on Trade Related Technical Assistance (IF). UNCTAD is a member of the Steering Group of NEPAD-OECD African Investment Initiative and works very closely with other members of the Global Partnership on Measuring ICT for Development, to assist developing countries in their efforts to develop ICT indicators.

UNCTAD XII was held in Accra, Ghana during 20-25 April 2008. The subject of the High-level segment of Heads of State and Government was "Trade and development for Africa's prosperity: action and direction". There was also a major investment forum which was particularly concerned with increasing FDI inflows and their developmental impact in Africa.

Policy Analysis and Research

UNCTAD's *Economic Development in Africa Report 2007: Reclaiming Policy Space - Domestic Resource Mobilization and Developmental States* examined the potential of African countries to increase their total domestic financial resource envelope, and discussed how to channel these resources into productive investments in order to increase their efficiency through improvements in domestic financial systems. The Report highlighted the need for more policy space for African countries to design and implement policies that make optimal use of available resources in a way that leads to a virtuous circle of accumulation, investment, growth and poverty reduction drawing on the model of developmental states in order to give true meaning to the rhetoric of "ownership" of economic policies. It, however, warned that state involvement in development should not be seen as repeating past mistakes, such as over-protection and interventionism.

UNCTAD's *Least Developed Countries Report 2007: Knowledge, Technological Learning and Innovation for Development* examined processes of technological learning and innovation in LDCs and made policy proposals on a number of issues related to science, technology and innovation (STI) policy, including how STI policies geared towards technological catch-up can be integrated in the development and poverty reduction strategies and how intellectual property rights (IPR) regimes can be made more supportive of technological development processes. It also touched on how the loss of skilled human resources through emigration (brain drain) can be addressed and how aid for STI (as part of the official development assistance) can

support learning and innovation in recipient countries.

Advisory Services and Technical Cooperation

Economic Governance

Domestic Resource Mobilization. The Development Account Project (5th Tranche) on "Developing Local Capacities for the Identification of Growth Opportunities through Resource Mobilization" was launched in February 2007. The objective of the project is to strengthen the capacity of African countries to identify and utilize non-debt-creating domestic and foreign resources for growth and poverty reduction within the framework of the Millennium Development Goals. The project activities organized during the year included an Expert Group Meeting to discuss the concept paper of the project, two Regional Training Seminars and the preparation of six case studies. A Policy Handbook on Enhancing the Role of Domestic Resource in Development is being prepared on the basis of the case studies, the discussions at the two seminars, and the research for UNCTAD's *Economic Development in Africa Report 2007*.

Debt management. In 2007, UNCTAD's DMFAS Programme supported the day-to-day debt management of 21 NEPAD countries. The support included assistance and advice on a wide range of functional and technical issues in relation to the use of the DMFAS debt management software - on which these countries depend for the recording and monitoring of their debt. The Programme also organized study tours for the debt management offices of Algeria and Sudan to other debt management offices for comparison and learning purposes. Furthermore, the Programme co-organized debt management technical activities with the following regional/international providers of technical assistance in the African region during the year.

FDI promotion. UNCTAD prepared two Investment Policy Reviews (IPRs) for Nigeria and Mauritania, presented blue book on investment promotion and facilitation for Zambia, and drafted the investment chapter for the Integrated Framework for Comoros. Follow-up work on IPRs was undertaken in Benin, Rwanda and Zambia. UNCTAD is expected to launch three further IPRs for African countries (Burkina Faso, Burundi, Sierra Leone) during 2008. During the reporting period, a number of governments and institutions in Africa also benefited from UNCTAD's support in the area of investment facilitation and promotion. They included the continuation of the execution of a project in Ethiopia, in close coordination with UNDP and UNIDO, to strengthen the capacity of the Ethiopian Investment Agency (EIA) and two sub-national Investment Offices in facilitating FDI.

Trade Policy Capacity-Building. UNCTAD maintains a long history of close collaboration with the African Union in support of African countries, particularly LDCs, in building up and strengthen their human, institutional and regulatory capacities in multilateral and regional trade negotiations and national trade-related policy formulation. As part of the ACP-EU Economic Partnership Agreement (EPA) negotiations, UNCTAD provided a technical note to the African Union in preparation of the planned AU Ministerial Meeting on EPA negotiations entitled "Developments and issues in the negotiations for economic partnership agreements between African ACP States and the European Union in the light of the Doha Round negotiations" and organized a "Regional Workshop for Sub-Saharan African Countries on Economic

Partnership Agreements: Investment, Competition and Public Procurement Issues”.

Customs Automation. The ASYCUDA programme for customs automation is currently being implemented and upgraded in 25 countries of Africa with the assistance of 3 regional support and training centers located within COMESA, SADC and ECOWAS regions. These centers also provide the necessary maintenance and contribute to regional integration. The ASYCUDA system went live in Eritrea and Swaziland in 2007 and in Comoros early 2008; within the first semester of 2008 it also became functional in Seychelles and in the Katanga province of DR of Congo. A new UNCTAD utility allowing the exchange of transit data at joint border Customs offices was launched in April 2008 between Zambia and Zimbabwe.

Competition Policy. UNCTAD initiated ad hoc voluntary peer reviews on competition law and policy, which provide a forum to review how reforms in the field of competition can promote development and ensure that markets work for the poor. The eighth session of the Intergovernmental Group of Experts on Competition Law and Policy (Geneva, 17 -19 July 2007) provided a framework within which UNCTAD held a voluntary Peer Review on competition law and policy of the West African Monetary Union (WAEMU) and its eight member States. It was the first review of a regional grouping's competition policy in an international setting. A first meeting between UNCTAD, the Competition Appeal Court of South Africa and international experts, was also held in Pretoria on 19-20 July 2007 in preparation for an internal review.

Market Access and Agriculture

UNCTAD has launched a Regional Standards Program aimed to enable African producers and exporters to meet both official and private sector standards. A *Model for the Development of a Private/Public Safety Control System for the Horticultural Sector* project was developed and implemented in Guinea. The project was initiated to help the Government of Guinea, producers and exporters comply with agri-food safety standards and quality assurance systems. In terms of impact and results, the project has contributed to opening up new market opportunities through compliance with SPS requirements and retailer's agri-food safety standards. A similar project was launched in April 2007 in Mozambique. Through the Organic and GlobalGap certification of four pilot farms producing fruits and vegetables, this initiative will open the road to larger certification schemes, increase the number of certified companies and facilitate market access.

Human Development

Education: The UNCTAD Virtual Institute (Vi) continued to pay particular attention to the strengthening of trade and development related teaching and research at African universities and institutes. The number of universities from the region that are members of the Vi doubled in the course of 2007, with four new members adhering from Egypt, Kenya, South Africa and Uganda. Vi activities in Africa concentrated on capacity building. A regional workshop on the teaching and research of trade and poverty for English-speaking African academics, based on a Vi teaching material, was held in November in Dar-es-Salaam, Tanzania. A national professional development workshop on the World Integrated Trade Solution (WITS) was delivered in July 2007

to the staff of the University of Dar-es-Salaam in Tanzania.

ICT: A Regional Workshop on Information Society Measurement in Africa (organized by UNCTAD jointly with ITU and UNECA, 7-9 March 2007, Addis Ababa) built on the work by the Partnership on Measuring ICT for Development and ECA's ICT Measurement project (Scan-ICT) to advance the availability of comparable data on ICT in Africa. As part of its research activities in the area of pro-poor ICTs, UNCTAD also conducted a study on how telecentre networks are supporting livelihoods. It provides a set of recommendations that will be valuable to African telecentres and policy makers seeking to bridge the digital divide.

Infrastructure.

In 2007, six French-speaking African ports organized cycles of the UNCTAD/TrainForTrade Port Training Programme (PTP) with the involvement of local instructors trained by UNCTAD - the Autonomous Ports of Cotonou, Conakry, Dakar, Douala, and Lomé - and contacts were established with the Ports Autonomes of Abidjan and San Pedro, Côte d'Ivoire, for their possible inclusion into the PTP French-speaking network. Following the recommendations made during PTP International Coordination Meeting held in Dublin, initial steps were made to establish an English-speaking PTP network that will include several African countries.

Science and Technology.

In providing substantive servicing to the Commission on Science and Technology for Development (CSTD), UNCTAD contributed to the growing awareness of the critical role of S&Ts in the development process of African countries and on how best to leverage S&T tools in achieving the MDGs. A Science, Technology and Innovation Policy (STIP) Review for Angola has been finalized and the Review is due to be discussed at the 11th session of the United Nations Commission on Science and Technology for Development. Two other STIP reviews have been initiated in Mauritania and Ghana, the latter being undertaken in close collaboration with the NEPAD Office for Science and Technology.

Tourism and Environment.

A seminar on sustainable tourism for development took place in July 2007 in Antsirabe (Region of Valinankaratra, Madagascar) organized by the TrainforTrade programme and UNCTAD's e-Tourism Initiative. Advisory services on E-tourism issues were also provided to representatives from Western Africa francophone countries, at the occasion of the UNCTAD XII pre-event on "The implication of tourism services for developing countries". At its latest session, the UN General Assembly agreed to support the framework of the 6th Tranche of the Development Account project E-tourism activities aiming at strengthening tourism SMES competitiveness in a number of western African countries.