

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD)

Support to NEPAD

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Policy Analysis and Research

UNCTAD's *Economic Development in Africa Report 2009: Strengthening Regional Economic Integration for Africa's Development* presents economic analysis of regional integration initiatives in Africa. The report is aimed at addressing long-standing structural weaknesses of African economies and at strengthening national and regional economic performance. It concludes that integration initiatives can be extremely beneficial to all countries involved when they are designed and implemented in the context of a broad development strategy shared by regional groups. The Report surveys recent trends in the areas of trade (goods and services), investment (FDI) and labour mobility/migration within Africa, and assesses various policy measures to increase activities in these areas.

The *Economic Development in Africa Report 2008: Export Performance following Trade Liberalization - Some Patterns and Policy Perspectives* shows that most African countries have undertaken extensive trade liberalization and most can be said to have had open economies since the mid- to late 1990s; however, export performance following trade liberalization has been weak in terms of increased export volumes, increased export/GDP ratios and diversification in high-value agricultural exports and manufactures. The report also argues that African countries need to adopt sector-specific policies in agriculture and manufacturing to tackle these constraints.

UNCTAD's *Least Developed Countries Report 2008: Growth, Poverty and the Terms of Development Partnership* argues that the achievement of a more sustainable and inclusive type of economic growth requires effective national development strategies, which are supported by effective development aid and development-friendly international regimes for trade, investment and technology.

Advisory Services and Technical Cooperation

(i) Economic Governance

Debt management. In 2008, UNCTAD's Debt Management and Financial Analysis System (DMFAS) Programme supported the operational and strategic debt management of 21 NEPAD countries. The Programme contributed to the strengthening of the capacity of these countries to manage their public liabilities and to produce reliable debt statistics for policy-making purposes.

FDI promotion. During 2008, the research and policy analysis project "*FDI in Tourism: the Development Dimension*" expanded its focus to West Africa, rolling out a third phase of field-studies in Senegal, Mali and Ghana. UNCTAD intensified its technical assistance in collecting and harmonizing data on FDI and activities of transnational corporations in 2008. UNCTAD also carried out Investment Policy Reviews in a number of African countries, including Nigeria, Burkina Faso, Burundi and Sierra Leone.

Trade Policy Capacity-Building. UNCTAD's efforts to help African countries to integrate beneficially into the international trading system include: strengthening trade policies of African countries and their institutional and human resources capacities; providing support to African

countries on the impact of the WTO Doha agenda negotiations on their trade and development interests; assisting African countries in the process of acceding to the WTO or in the post-accession phase (Algeria, Sudan, Ethiopia, and Yemen); helping African countries to take advantage of market access opportunities by familiarizing them with national trade regimes. In addition, UNCTAD assisted Rwanda in developing a comprehensive trade policy framework and supported Uganda in analyzing and identifying several biotrade products with export potential including natural ingredients for cosmetic industries. Support was also given to the African Biofuels and Renewable Energy Fund (ABREF) to help the development of biofuels and renewable energy in Africa including R&D and technical assistance.

Support to SADC Regional Integration and Multilateral Trading System. UNCTAD provided technical assistance in institution and capacity-building on services assessment and negotiations to SADC countries. UNCTAD supported services assessments and preparations for (a) regional negotiations with a view to developing a regional framework on services trade; (b) participation in WTO GATS negotiations; and (c) the challenges associated with parallel negotiations between SADC and the EU on Peas. Technical support was also extended to EAC, COMESA, and SADC and to regional expert meetings, and national consultative events and individual ACP States in preparation for EPA negotiations.

Services, trade and development. Technical assistance and customized support was extended to African countries and country groupings such as the African Group on WTO Doha Round negotiations on services, including on market access as well as rules negotiations including domestic regulations. Advisory services helped African countries in building services supply capacities, promoting services policy formulation, and defining strategies for services negotiations at the national, regional and multilateral levels, and at the interface between regional services negotiations and GATS negotiations. In 2008, initial financial support provided by DFID supported the launching of the National Services Policy Reviews in Uganda on construction, insurance and professional services.

Competition policy. UNCTAD provided assistance to African countries on competition advocacy; preparation of national competition laws; training of competition case handlers; institution-building, and consumer protection. Assistance was provided to Mozambique and to Zambia in preparing their competition legislation. UNCTAD also provided comments to the draft Competition bill of Rwanda. A national training workshop on competition law and policy for the staff of the National Competition Commission of Cameroon was co-organized by UNCTAD in Yaoundé. In 2008, assistance was provided to the Swaziland Competition Commission in assessing the first merger application and the provision of skills in merger assessment. A national competition seminar for investigators from the National Competition Committee of Cameroon was also organized together with CEMAC and the Government of Cameroon in 2008 in Kribi. Additionally, UNCTAD provided advice to Mauritius on the formulation of an “Institutional Framework for the implementation of the Competition Act”. And in Madagascar, it prepared an executive report to assist the Ministry of Industry, Small and Medium Enterprises, Commerce and Cooperatives on steps to be taken to make the Competition Act operational.

Customs Automation. The main objective of the Automated System for Customs Data programme is the modernization of Customs, using information technology to speed up and simplify the goods clearance process. Several African countries benefited from project implementation in 2008.

WTO Doha negotiations and regional trade agreements. UNCTAD assisted Geneva- and capital-based trade negotiators and policymakers in African countries in their preparations for

participation in the Doha Round negotiations, as well as achieving a commensurate level of progress in other areas of negotiations such as on services, trade facilitation, rules, TRIPS and development issues including Aid for Trade. Important capacity-building support was provided contributing to greater preparedness and technical capacities in developing country trade negotiators. UNCTAD supported the African countries and group's engagement in the negotiations, particularly on agriculture, NAMA, services and other topics, and facilitated the assessment of developmental implications of various technical issues.

Support on WTO accession. Through its major programme on WTO accession, UNCTAD supported African countries in the process of accession to the WTO, including Algeria, Cape Verde, Ethiopia and Sudan. Assistance provided included technical advice, training of officials in WTO-related issues including simulation exercises, support to multi-stakeholder dialogue, procurement of IT equipment, and the provision of specialized advisory services in specific areas to assist negotiating teams.

The Integrated Framework. The Integrated Framework (IF) is a multi-agency and multi-donor undertaking for the coordinated delivery of trade-related technical assistance and institutional capacity-building activities in LDCs. By January 2009, 46 LDCs were at different stages of the IF process. Out of these, 35 countries had validated their diagnostic studies and action matrices lists including 28 from Africa.

(ii) Market access and agriculture

UNCTAD prepared an Issues Note entitled "Food security in Africa: Learning lessons from the food crisis" for an interactive panel discussion during the Trade and Development Board's 47th Executive Session on Africa. The keynote speaker, Dr. Akinwumi Adesina, Vice President for Policy and Partnerships, Alliance for a Green Revolution in Africa, stated that the African agricultural sector has been neglected for years, and that a well-coordinated, well-funded response is needed. The technologies to increase food production are available, including some developed by Africans such as the newly developed rice variety called NERICA. However, for African farmers to increase their production, official development assistance to the agricultural sector must increase. Agricultural trade barriers in their different forms must be lowered, according to Adesina.

UNEP and UNCTAD have a joint project under the framework of the Capacity Building Task Force on Trade, Environment and Development (CBTF). The project promotes production and trading opportunities for organic agricultural products. UNCTAD provided support to the African Union Conference on Ecological Agriculture: Mitigating Climate Change, Providing Food Security and Self-Reliance for Rural Livelihoods in Africa, Addis Ababa, and to the West African Organic Summit, Nigeria, both held in November 2008. UNCTAD is preparing an overview of the organic development status in Burundi, Ethiopia, Kenya, Rwanda, Uganda and the United Republic of Tanzania, to be published in 2009. UNCTAD is also currently supporting the consultations on a draft organic policy in Uganda and the Ethiopian national organic forum, 2009. It provided support to the African Organic Conference held in May 2009 in Kampala.

(iii) Human Development

Education. In 2008, the UNCTAD Virtual Institute (Vi) organized a regional professional development workshop on economic and legal aspects of investment in Kampala, Uganda. Additionally, 3 African academics (from Senegal, Tanzania and Uganda) had the opportunity, under the Vi fellowship programme, to spend 6 weeks in Geneva working on specific research projects and benefiting from support by UNCTAD "mentors". African academics from the University of Mauritius, Cairo University, the University of Nairobi and the Makerere University Business School also further strengthened their expertise on topical international

economic issues by conducting research required for the adaptation of Vi teaching materials on trade and poverty and regional trade agreements to the contexts of their countries. The Vi also provided advisory and curriculum support to the Makerere University Business School in Uganda on the development of a Masters programme in Trade and Development.

TrainForTrade. The UNCTAD TrainForTrade programme strengthens the training capacities in LDCs and in African countries in particular. Under the framework of the TrainForTrade project in Angola an extensive programme on International Investment Agreements was carried out in cooperation with UNCTAD programme on international investment agreements. Guinea is also benefiting from the UNCTAD/TrainForTrade technical assistance activities. A joint UNCTAD/International Trade Centre project was launched for the "*Strengthening of Guinean capacities in the field of international trade through training, support to intermediate institutions and direct assistance to food-processing businesses and units*" in 2008. This two-year project aims to promote the integration of Guinea in international trade through capacity-development and training.

ICT. In the area of ICT policies and strategies, UNCTAD helps African countries create a favourable environment for e-commerce and e-business. During 2008, UNCTAD undertook an advisory mission to Tunisia to provide technical assistance and capacity building in the statistical measurement of ICT in the Tunisian economy. Through its ICT and Law Reform Programme, UNCTAD continued in 2008 to assist governments of the East African Community (Burundi, Kenya, Tanzania, Rwanda and Uganda) in harmonizing their cyber laws. UNCTAD facilitated three meetings of the East African Community Task Force on Cyberlaws, prepared a comparative review of existing cyber laws, and provided guidance for regional harmonization by preparing a regional legal framework supportive of the development of e-commerce and realization of e-government services.

(iv) Infrastructure

Members of the TrainForTrade Port Training Network continued to implement the Port Training Programme and delivered new cycles of the "Modern Port Management" course in the ports of Conakry, Cotonou, Dakar, Douala and Lomé in 2008. In July, a training session for Portuguese-speaking port trainers was organised in Luanda for fourteen participants from Angola, Cape Verde, and Guinea-Bissau. Also, seven port trainers from Ghana and U. R. Tanzania attended a train-the trainer's workshop organised for English-speaking port communities in Dublin, in September 2008. These three-week seminars train future trainers on the modern functioning of an innovative port which incorporates the needs of port communities.

(v) Science and Technology

A Science, Technology and Innovation Policy review for Angola was completed in 2008. Three other STIP reviews are currently underway to assist Ghana, Lesotho and Mauritania towards building a knowledge-based, technology-driven path to sustainable development. Another important project that focuses exclusively on Africa is the Network of Centres of Excellence (NOCE), which was established in 2006 by UNCTAD and the Commission on Science and Technology for Development (CSTD) and financed by the Government of Italy. The project aims to transfer knowledge and technology to Africa through advanced training and workshops.

(vi) Tourism and Environment

A project on "Sustainable Management of Natural Resources" was prepared by UNCTAD TrainForTrade programme in cooperation with the Ministry of Environment, Forestry and Tourism of Madagascar and the German Cooperation Agency, with the objective of reducing poverty through the development of the tourism sector, as foreseen in the Madagascar Plan of Action.