

**Opening Remarks by
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Secretary-General of UNCTAD**

**Joint Advisory Group (JAG) of the International Trade Centre
UNCTAD/WTO**

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Excellencies,
Distinguished Delegates,
Ladies and gentlemen,

It is a great pleasure for me to address this meeting of the Joint Advisory Group of the International Trade Centre UNCTAD/WTO. The past year offers a number of excellent examples of collaboration between our two organizations. UNCTAD and ITC, as members of the UN-CEB Inter-Agency Cluster on Trade and Productive Capacity, worked together in all of the One UN Pilot Countries. I will just mention a few selected examples:

- In **Albania**, our two organizations are currently working together to include the international and regional trade dimension in the United Nations Development Assistance Framework (UNDAF) 2012-2016;
- In **Cape Verde**, the ITC partners with UNCTAD in its joint programme on the "Integration of Cape Verde into the World economy";
- In **Mozambique**, UNCTAD and the ITC are part of the Cluster's Joint Programme on "Building Capacities for effective Trade Policy Formulation and Management" led by UNDP. Its activities are also coordinated with the Enhanced Integrated Framework (EIF) process;
- In **Rwanda**, UNCTAD and the ITC are part of the One UN Programme Mid-Term Review, which also includes additional joint programmes,

notably on SME development. Here too, UNCTAD and the ITC also coordinate with the EIF process;

- In **Vietnam**, UNCTAD and the ITC are implementing activities within the Cluster's Joint Programme on "Green Production and Trade to Increase Income and Employment Opportunities for the Rural Poor";
- And lastly, in **Haiti**, despite the dramatic humanitarian crisis, UNCTAD and the ITC together with UNIDO have been able to organize a joint Cluster mission to the country and put together a portfolio of coordinated proposals in the areas of economic recovery and governance that was welcomed and supported by all parties involved.

Delivering as One, under the UN-CEB Interagency Cluster has been highly appreciated by beneficiary governments, United Nations Resident Coordinators and country teams. Having demonstrated its success as a mechanism for coordination, in which members provide transparent and timely information on their respective operations in the field, the UN-CEB Interagency Cluster is now perceived as a reference model by the United Nations Development Group. All together, UNCTAD and the ITC are partner agencies within the UN-CEB Interagency Cluster in more than 20 countries across 5 regions that have already have adopted a Delivering as One approach.

In all these initiatives we have demonstrated the need for systematic consultation when launching operations at the country level in areas where our activities are closely related. The Interagency Cluster is now an established and successful mechanism of coordination which will need continued support.

Looking ahead to 2011, UNCTAD and the ITC will start the implementation of Cluster activities referred to in the UNDAFs of Azerbaijan, Belarus, Georgia and Serbia. We are also hopeful that the Haitian authorities will make the Cluster's joint programme a priority next year. Taking into account the ITC draft operational plan for 2011 our two organizations should identify further complementarities in several areas which I will briefly select from:

- Improving trade facilitation to enhance trade competitiveness;
- Improving trade support institutions and the business environment
- Trade intelligence;
- The interface between environmental issues and trade policy, with a particular focus on the natural resource based sectors, including organic food;
- The improvement of supply chains and the integration of regional and global value chains, with a particular focus on obstacles facing African SMEs in entering global value chains;
- Support to public-private dialogue on the implications of EPAs, with a particular focus on the trade in services, competition policy and trade and investment;

Ladies and gentlemen,

The strategic priorities included in the ITC's Operational Plan for 2011 incorporate an agenda for delivering "Aid for Trade" to developing countries, which is crucial for the proper functioning of their productive and export capacities and long-term competitiveness. This is particularly so for the Least Developed Countries, where investment needs in productive

and export infrastructure are significant but at present insufficient. In order to sustainably achieve high rates of growth, LDCs need to raise their rate of fixed capital formation to at least 25% of GDP but, as last years LDC Report showed, current rates of fixed capital formation are 18% of GDP for African LDCs and 21% of GDP for Asian LDCs.

Ladies and Gentlemen,

We feel it is in the best interests of our clients – the developing countries - that UNCTAD and the ITC should continue to implement joint initiatives, in which ITC's and UNCTAD's complimentary areas of expertise are delivered in a coherent manner. I am confident that donors will continue to support ITC's important contribution to the private sector and export competitiveness in developing countries.

Let me conclude by saying that we expect ITC to play a key role in next year's Fourth UN Conference on the LDCs, in Istanbul. Priorities include, *inter-alia*, the development of productive capacities, the diversification of exports and markets, the enhancement of LDC capacity in trade services, attraction of FDI and the transfer of technology, and south-south cooperation and regional integration. We look forward to close cooperation between our two organizations on these issues, as well as with all our partners to make the Conference and the future of LDCs a success story. I trust that your discussions in the JAG this week will provide the ITC secretariat with useful guidelines for its future activities and continued work with UNCTAD and other partner organisations.

Thank you.