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Preparation Paper

United Nations Industrial Development Organization (UNIDO)
Simulating a Meeting of the Industrial Development Board

**"Trade as a Source of Economic Growth and Regional Development:
The Case of Sub-Saharan Africa"**

The United Nations Industrial Development Organisation (UNIDO)

Mission and vision of UNIDO

UNIDO's primary objective and vision is to help developing countries and countries with economies in transition in their fight against marginalization in today's globalized world. It mobilizes knowledge, skills, information and technology in order to promote industrial development, productive employment, a competitive economy and a sound environment.

The vision for the future of UNIDO is set out in the Strategic Long-term Vision Statement 2005-2015, adopted in resolution GC.10/Res.2 in 2005. Responding to international development priorities, it presents a flexible vision for operations around three thematic priorities:

- *Poverty reduction* through productive activities, by promoting industrial growth, focusing on employment and income generation, as well as institutional capacity-building and the development of small and micro enterprises;
- *Trade capacity-building*, by assisting countries in building and developing both production and trade-related capacities, including the capacity to conform to the standards of international markets required for participating in international trade;
- *Energy and environment*, by focusing on and promoting renewable sources of energy and supporting programs which maximize industrial energy efficiency, as well as other activities promoting sustainable industrial development and supporting the implementation of international environmental agreements.

Furthermore, UNIDO's programmatic priorities can be extracted from the Business Plan on the Future Role and Functions of UNIDO endorsed by General Conference in its resolution GC.7/Res.1 in 1997. This Business Plan grouped the activities of UNIDO into two areas of concentration: Strengthening industrial capacities, including programs in support of the global forum function and policy advice; and cleaner and sustainable industrial development.

In addition, while maintaining the universal character and vocation of UNIDO, the Business Plan provided for the Organisation's activities to be focused geographically on the least developed countries, in particular in Africa; sectorally on agro-based industries; and thematically on small and medium enterprises (SMEs). UNIDO achieves these objectives through: (a) Integrated programs (IPs) or country service frameworks (CSFs), based on combinations of its eight service modules or in (b) Stand-alone projects involving only one or two service modules.

UNIDO's eight Service Modules are:

1. Industrial Governance and Statistics;
2. Investment and Technology Promotion;
3. Industrial Competitiveness and Trade;
4. Private Sector Development;
5. Agro-Industry;
6. Sustainable Energy and Climate Change;
7. Montreal Protocol (substances that deplete the ozone layer);
8. Environmental Management

Background

UNIDO was established in 1966 and became a specialized agency of the United Nations in 1985. The organization currently has 172 Member States. As part of the United Nations common system, UNIDO has responsibility for promoting industrialization throughout the developing world, in cooperation with its 172 Member States. Its headquarters are in Vienna, and it is represented by 35 developing countries. This representation and a number of specialised field offices, for investment and technology promotion and other specific aspects of its work, gives UNIDO an active presence in the field. UNIDO employs 651 staff members

at Headquarters and other established offices. The Director-General, Kandeh Yumkella (Sierra Leone), was elected in December 2005.

Structure

UNIDO has three policymaking organs: the General Conference; the Industrial Development Board and the Programme and Budget Committee.

The *General Conference* is the supreme policymaking body of UNIDO. The GC consists of the representatives of the States Members of the Organization. It meets once every two years and determines the guiding principles and policies, approves the budget and work programme of UNIDO and appoints the Director-General. The General Conference has the authority to adopt, by a two-thirds majority of the Members present and voting, conventions or agreements with respect to any matter within the competence of the Organisation and to make recommendations to the members concerning such conventions or agreements. It also elects representatives to the Industrial Development Board and the Programme and Budget Committee.

The *Industrial Development Board* has 53 members and reviews the implementation of the work programme, the regular and operational budgets and makes recommendations to the General Conference on policy matters, including the appointment of the Director-General. The Board meets once in the GC years and twice in other years. The thirty-third session of the IDB took place from 25 to 27 June 2007. *The IDB will be simulated at VIMUN 2008.*

The *Programme and Budget Committee* assists the Board in the preparation and examination of the programme work, the regular budget and the operational budget of the Organisation, and other financial matters pertaining to the Conference.

The *Secretariat* comprises a Director-General, as well as such Deputy Directors-General and other staff that the Organisation may require. The Director-General is the chief administrative officer of the Organisation who has the overall responsibility and authority to direct the work of the Organisation. The Director-General is appointed by the Conference upon recommendation of the Board for a period of four years.

UNIDO's budget

The estimated total volume of UNIDO operations for the biennium 2008-2009 is € 382 million. The value of UNIDO's ongoing technical cooperation programs and projects amounted to \$ 557.3 million as of 31 December 2007. The value of technical cooperation programs in 2007 was the highest since 1993, amounting to \$ 117.3 million. Funding for UNIDO activities is drawn from the regular budget, the operational budget and voluntary contributions. The regular budget is derived from Member States' assessed contributions. The operational budget is derived from the implementation of projects.

Core Functions of UNIDO

UNIDO has two core functions: a normative function as a Global Forum; and an operational function, providing Technical Cooperation.

As a *Global Forum*, UNIDO generates and disseminates knowledge relating to industrial matters and provides a platform for the various actors in the public and private sectors, civil society organizations and the policy-making community in general to enhance cooperation, establish dialogue and develop partnerships.

As a *Technical Cooperation Agency*, UNIDO designs and implements programs to support the industrial development efforts of its clients. It also offers tailor-made specialized support for program development. The two core functions are both complementary and mutually supportive. On the one hand, experience gained in the technical cooperation work of UNIDO can be shared with policy makers; on the other, the Organization's analytical work shows where technical cooperation will have the greatest impact by helping to define priorities.

UNIDO and Trade

In order to improve standards of living through industries that are both internationally competitive and environmentally sustainable, UNIDO has created the largest portfolio of projects related to trade capacity building in the United Nations system. UNIDO has a long experience as “industrial problem solver” and thus understands the needs of governments, industrialists or entrepreneurs everywhere. Its focus is on promoting growth in the small and medium enterprise sector - the key generator of wealth in most developing countries.

The ability of enterprises in these countries to trade internationally depends more and more on their ability to enter into global value chains that are established by transnational corporations. This requires working on the supply side, enabling enterprises to manufacture products with high-export potential in the quantities and at the level of quality required by the markets. Additionally, evidence of market conformity is necessary, enabling the same enterprises to ensure that their products meet the relevant international standards, in particular private buyer and technical requirements. Apart from activities to stimulate small and medium size enterprise development (SMEs), UNIDO also takes measures to safeguard the environment. Overall, UNIDO supports private sector development through complementary services focusing on:

- The improvement of the business, policy and institutional environment;
- The promotion of investment, business networking and entrepreneurship
- The adoption of new and clean production technologies

While private enterprise is the key dynamic factor in manufacturing, the public sector plays a major role in creating the right conditions for the sector’s development. Therefore, UNIDO’s assistance targets both, the private as well as the public sector. UNIDO has been providing trade-related policy advice to many governments. In 2007, the governments of Lesotho, Rwanda, Saudi Arabia, Uganda, and China were among UNIDO’s clients.

Many developing countries do not have internationally competitive manufacturing industries. If these countries are to benefit from the development and poverty reduction impacts of trade liberalization, action is required in a number of areas to create such industries: investment and productivity in manufacturing must be increased, joint efforts must be undertaken to increase exports, training must be offered or expanded, institutions that support enterprise upgrading have to be built up and a well-developed standards and conformity infrastructure must be created. UNIDO’s technical cooperation helps to build national and regional export potential by focusing on

- National capacity-building for analysis of competitive potential at product and subsector level
- Productive Sectors with high export potential, upgrading product and production quality and ensuring compliance with international standards and regulations
- Diffusion of modern technologies
- The establishment of export consortia
- The establishment of quality and conformity assessment infrastructure required for compliance with the agreement on Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary Measures (SPS)
- Corporate Social Responsibility (CSR)

The following examples give an impression of UNIDO’s activities:

- A \$ 2 million project of UNIDO in the United Republic of Tanzania aims at upgrading capacities of the Tanzanian quality infrastructure, to enhance compliance with TBT/SPS systems requirements and to deliver globally accepted metrology, testing and certification services. This will facilitate exports of sectors with large trade potential. The project also helps to improve the quality chain in coffee and cashew nut production.
- In Uganda, UNIDO has established eight business information centers in close cooperation with local public and private sector representatives and with funding from the Austrian Government. The centers target SMEs and provide information and communications technology training, Internet facilities and offer access to business information and business advisory services.
- Various other projects were initiated in Sub-Saharan Africa, such as a technical cooperation program related to standards and technical regulations in Cote d’Ivoire and Mozambique. In Ghana, a trade capacity-building programme within the framework of the “Memorandum of Understanding”, an

agreement signed between UNIDO and WTO, was implemented which aimed at developing the supply-side capacity and competitiveness of selected agro-based industries.

To respond better to the increasing needs in the area and to streamline its ongoing trade-related assistance activities especially in the field of quality infrastructure and conformity, UNIDO has established a new *Trade Capacity Building* branch in early 2006. Moreover, UNIDO's Service Module 3, "*Industrial Competitiveness and Trade*", deals with the integration of the LDCs in the global market.

UNIDO is engaged in many other trade-related initiatives. Within the framework of the Organization's second thematic priority, *poverty reduction*, UNIDO has the overall objective to increase economic growth, create employment, generate income and reduce economic and social disparities through productive activities. Moreover, UNIDO's *Africa Program* deals with the issue. The *African Productive Capacity Initiative (APCI)* is promoting regional integration, harmonization and cooperation.

During 2007, UNIDO has also been building stronger ties with the *Enhanced Integrated Framework* – the framework accessing LDC support under Aid for Trade – and is recognized as an important implementing partner. *Country-level projects*, largely funded by the European Union, Norway and Switzerland were under implementation during 2007, including Afghanistan, Cote d' Ivoire, Egypt, Ghana, Lebanon, Mozambique, Pakistan, Sri Lanka and the United Republic of Tanzania. Under the EU's new *Economic Partnership Agreements (EPAs)* with African, Caribbean and Pacific Group States, major technical cooperation programs are currently being developed in order to strengthen capacity of developing countries to compete in international markets.

There are numerous other projects of UNIDO which aim at reducing trading impediments, promoting the harmonization of industrial, trade and technical policies or helping to ensure conformity and compliance with industrial and environmental norms. Only a few can be mentioned here. For more information see <http://www.unido.org/index.php?id=o51261> .

Introduction to the issue

"Trade as a Source of Economic Growth and Regional Development: The Case of Sub-Saharan Africa"

Trade can be a strong growth engine. The importance of trade for development, growth and poverty alleviation in the developing countries is widely acknowledged today. The extent to which countries benefit from trade depends from their ability to supply world markets with competitive products. Developed countries account for almost two thirds of global trade and some developing countries, such as China, have made remarkable strides in their exports. The Sub-Saharan African States (SSA) however, account for only a small share of the total world exports, with a declining tendency.

Exports from SSA accounted for 3.8 % of world exports in 1998, but by 2004 its share had fallen to 1.6 % (UNCTAD). One reason for this is that many of the SSA States have for a long time relied on exports of low-value resource based and labor-intensive manufactures like textiles to galvanize growth. Due to low diversification and increased global competition their export earnings dwindle, a scenario that is called "fallacy of composition". China's accession to the WTO - it accounts for over 5% of the global market share - has also fuelled the problem. In two thirds of SSA countries, only one or two products are responsible for at least 60% of the country's total exports. Declining commodity prices lead to falling prices in the manufactures in many of the SSA countries, which results in deteriorating labor conditions and negative impacts on purchasing power and standard of living. Commodity exports are not generating sufficient savings for investment in diversification and in the development of human and physical infrastructure. Hence, the "commodity trap" in which these countries are caught has become essentially a "poverty trap". For African countries, for which commodity exports represent well over 70% of foreign exchange income, the problem has become essentially a developmental one.

Most African countries have been losing market shares in commodity exports to other developing countries, while at the same time most have been unable to diversify into manufactured goods. Africa's difficulties in maintaining market shares for its traditional commodities derive from its inability to overcome structural constraints and modernize its agricultural sector, combined with the high cost of trading. Africa has not been able to increase the productivity of its agriculture because of a combination of factors, including land tenure and small-scale farming, rudimentary technology and policies that reduced the role of state institutions in innovations and investment in the sector. The private sector in many African countries is weak and incapable

of competing in world markets. Additionally, bad governance in some of the SSA states, social conflict, insufficient production and quality standards and an inadequate transport infrastructure have deteriorated the situation. As one result, SSA countries have lost their competitive advantage in producing cocoa, tea and coffee vis a vis the new and more competitive producers in Asia and Latin America. Preferential tariffs, quota and customs regulations in many cases had only limited impact or even undermined the gains the SSA countries could have got from trade.

There have been numerous international initiatives aimed at increasing the volume of official development assistance (ODA) and its grant element to the LDCs. According to the Millennium Goals Report 2007 (MDGs Report 2007), donors even pledged to double their aid to Africa. However, they are not on course to meet this pledges, and the overall effect of these resources has remained marginal. Aid is administered by a great number of public bureaucracies and largely donor driven. Additionally, foreign direct investment is mainly going to the oil exporter countries (in 2005: 60.5 % of total net foreign direct investments in SSA). According to the Economic Report on Africa 2008, domestic resource mobilization remains insufficient for SSA to finance the investment needed to achieve the Millennium Development Goals and SSA countries continue to rely on external capital inflows. While FDI inflows go mainly to resource-rich countries to finance investment in extractive industry, more ODA flows are directed to non-oil economies.

In the Millennium Declaration (A/res/55/2) adopted at the Millennium Summit in September 2000, governments agreed that globalization should become a positive force for all. To this end, members of the World Trade Organization decided at a 2001 meeting in Doha to complete, by the end of 2004, a series of trade negotiations that would focus on improving the prospects of developing countries. As of early 2007, there was still no agreement on the overall programme of measures to be adopted. As part of these broader negotiations, developed countries agreed in 2005 to eliminate duties and quotas on most imports from LDCs. As a result, trade barriers for these countries have diminished, but remain significant for some products and some LDCs. In addition, more than 40 developing countries, including China, are now willing to enhance duty-free access for least developed countries under the auspices of the Global System of Trade Preferences. In 2005, the share of goods entering developed country markets duty-free was unchanged from the year before, for both developing countries as a whole and for the least developed countries. Moreover, the liberalization of existing quotas on sensitive products, such as clothing and textiles, resulting from the end of the Agreement on Textiles and Clothing in 2005, unleashed a global restructuring of trade flows. This benefited some developing countries but was detrimental to others – ranging from some upper-middle-income countries in Asia and Latin America to several leastdeveloped countries in Africa.

Opening the markets of rich or middle-income economies does not, by itself, always benefit the poorest developing countries. Through various initiatives, African LDCs have almost full market access to most developing countries duty-free. However, supply constraints severely limit their capacity to exploit such opportunities. In addition, restrictive conditions – including rules on origins of products and other administrative obstacles – often make these preferences difficult to take advantage of. To raise SSA and other LDCs out of poverty, improved market access needs to be complemented by efficient aid programs and more concerted action of the donor countries.

The Millennium Declaration, as mentioned before, pays attention to the special needs of the Least Developed Countries. Since 34 of the 49 LDCs are located in SSA, in essence the challenge to meet the Millennium Development Goals remains in SSA. One of the most prominent objectives of the MDGs was to have member states halve their levels of absolute poverty by 2015. While some regions of the developing world have made sufficient progress towards achieving this goal, SSA has been singled out as one region that is unlikely to meet the target by 2015.

One of the reasons why SSA might miss this target, despite the recent gains made by a number of countries in terms of export revenue and thanks to high prices of some major primary commodities is its relatively low rate of economic growth. To raise the growth rate and sustain it at a level that will allow SSA countries to halve poverty by 2015 requires a significant increase in the volume of foreign and domestic resources devoted to promoting overall development in general, and poverty reduction programs in particular. As a partner in wider international efforts, UNIDO helps developing member states to achieve the Millenium Development Goals, in particular the target of halving the number of the world's poor by 2015. Below you find a summary of the most important findings of the Millennium Development Goals Report 2007 concerning SSA.

- Eradicate extreme poverty and hunger (Goal 1):
Target: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day; Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Although the proportion of people living in extreme poverty fell from 46.8 % in 1990 to 41.1 % in 2004, the poverty gap ratio in SSA, which amounted to 17.5 % in 2004, remains the highest in the world, indicating that the poor in SSA are the most economically disadvantaged in the world.

- To achieve universal primary education (Goal 2):
Target: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
Although SSA has made significant progress over the last few years, it still trails behind other regions, with 30 % of its children of primary school age out of school.
- Promote gender equality and empower women (Goal 3):
Target: Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels education no later than 2015
According to the MDGs Report 2007, women's participation in paid, non-agricultural employment, accounted for 32 % in 2005. Women in developing regions are more likely than men to work in agriculture and as contributing but unpaid family workers. Worldwide, over 60 per cent of unpaid family workers are women – meaning that women continue to lack access to job security and social protection.
- Reduce child mortality (Goal 4)
Target: Reduce by two thirds, between 1990 and 2015, the under-five mortality rate
In 2005, 10.1 million children died before their fifth birthday, mostly from preventable causes. According to the MDGs Report 2007, the child survival rate is worst in Sub-Saharan Africa. With an under-five mortality rate of 166 per 1,000 live births in 2005, SSA would have to make substantial improvements if it wanted to keep progress with other regions in order to reach goal 4. In all countries where child mortality has increased, AIDS and Malaria are likely to be major contributing factors. Furthermore, war and conflict are leading causes of increasing child mortality.
- Improve Maternal health (Goal 5)
Target: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio
Half a million women continue to die each year during pregnancy or childbirth, almost all of them in SSA and Asia. A woman's risk of dying from such complications over the course of her lifetime is 1 in 16 in SSA, compared to 1 in 3,800 in the developed world. The vast majority of maternal deaths and disabilities could be prevented through appropriate reproductive health services before, during and after pregnancy, and through life-saving interventions should complications arise.
- Combat HIV/AIDS malaria and other diseases (Goal 6)
Target: Have halted by 2015 and begun to reverse the spread of HIV/AIDS
SSA is home to the vast majority of people worldwide living with HIV (63 %), but only about one in four of the estimated 4.8 million people there who could benefit from antiretroviral therapy are receiving it.
- Ensure Environmental Sustainability (Goal 7)
Target: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources; Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation; To improve the lives of at least 100 million slum-dwellers by 2020
SSA and Southern Asia are still the regions where lack of adequate shelter among urban populations is most acute. In countries including Chad, the Central African Republic and Ethiopia, four out of five urban dwellers currently live in slums. Concerning safe drinking water and basic sanitation, the absolute number of people without access in SSA actually increased from 335 million in 1990 to 440 million people by the end of 2004. This number may increase even further if trends do not improve.
- Develop a global partnership for development (Goal 8)
Target: Address the special needs of the least developed countries, landlocked countries and small island developing states; Develop further an open, rule-based, predictable, non discriminatory trading and financial system; Deal comprehensively with developing countries' debt; In cooperation with developing countries, develop and implement strategies for decent and productive work for youth; In cooperation with the private sector, make available the benefits of new technologies, especially information and communications
Development assistance is mainly targeted at the poorest countries. However, aid to the LDCs has essentially stalled since 2003. Aid for SSA, excluding debt relief for Nigeria was increased by only 2 % between 2005 and 2006.

The integration of LDCs into the global economy

While global trade is expanding, the share of LDCs in that trade is low and stagnant and the list of LDCs has in fact become longer. Success in exports is limited to a few countries, markets and commodities, the latter being mainly raw materials. Economic growth and poverty reduction, however, require growing exports of higher value-added, or industrial products. LDCs generally lack adequate production capacities and trade-related infrastructure for this purpose, and the high costs of production and of doing business reduce the competitiveness of their products.

International assistance plays a major role in creating the capacities and infrastructure and FDI, ODA and the various aid initiatives remain essential to break the vicious circle of mass poverty and underemployment. Some LDCs, however, still feel that donors and aid agencies take insufficient account of their views and wishes in trade-related assistance. Moreover, there is often inconsistency between development assistance programs and international trade agreements, and coordination among assistance programs would need to be improved to maximize synergies and avoid duplication of efforts.

Part of the solution to these problems is a stronger role for LDCs in the formulation and implementation of assistance programs and trade agreements. In particular, the voice of the private sector should be heard more clearly. In addition, LDCs must be helped to create an appropriate infrastructure, ensure proper education and employment of the labour force, speed up human resources development, acquisition and absorption of more advanced technologies, and structural change to enable returns to scale.

The Aid for Trade initiative

In 2005, the WTO included in its Ministerial Declaration in Hong Kong a commitment to take actions to encourage an initiative on Aid for Trade (Aft). Trade Ministers emphasized the high priority they attach to the Enhanced Integrated Framework (EIF) and welcomed the establishment of an EIF task force. They also mandated the WTO to establish a Task Force on Aid for Trade to provide recommendations on how Aft might contribute most effectively to development.

While stressing the need to help countries negotiate and comply with trade agreements, including provisions to offset adjustment costs, both task forces recommended that building productive capacity and trade-related infrastructure in developing countries should be a key feature of Aft efforts. They also underscored the need for donors to integrate trade and growth issues more effectively, to use genuine needs assessment, and to support interagency initiatives.

These recommendations underline the fact that, despite the obvious need for trade capacity-building services and trade-related infrastructure, the private sector is in many cases not able to provide them. Trade-related infrastructure can be very costly to build up and, in a small economy, the investment may take a long time to pay off. Thus, international assistance plays an important role in removing impediments to trade through the strengthening of essential public sector capacities. Furthermore, it helps to lay the foundations for those support services that can eventually be provided profitably by private enterprise.

UNIDO and Aid for Trade

UNIDO has, as mentioned before, realigned its technical assistance approach and launched a new trade capacity-building branch in early 2006. The branch is built on the principle of forming strategic partnerships with other multilateral and technical organizations and agencies in order to maximize the efficiency and effectiveness of technical support. The Aft initiative is a cooperation between various UN partners like FAO or UNCTAD, the International Trade Centre, World Bank, WTO, various technical partners and UNIDO itself. In cooperation with key donors, such as the European Union, Austria, France, Italy, Japan, Norway, Switzerland, and the United Kingdom, UNIDO implements different TCB programs using innovative approaches such as linking debt swaps and trade-related technical cooperation. UNIDO's technical cooperation within the Aft framework is based on a three-pronged approach also known as the "3Cs":

Competitiveness in supply

Activities under this heading are oriented towards strengthening capacities to produce competitive goods, in particular by first identifying those goods with the greatest competitive potential and removing supply-side constraints. The services focus on SMEs and include the promotion of export clusters and consortia, along with the provision of process technology and enhancing capacity to meet international standards, client requirements and environmental regulations.

Conformity

Activities under this heading are oriented towards upgrading the conformity assessment infrastructure, improving the capacity of domestic laboratories and establishing adequate testing capacity so as to promote conformity with market requirements and secure a larger share in export markets.

Connectivity

Activities under this heading are oriented towards enhancing linkage with markets in industrialised countries as well as in and between developing countries. It thus follows that the activities fall more within the scope of other agencies, primarily WTO. The technological and institutional capacities they need to strengthen their links to and integration within the multilateral trading system.

Two examples of UNIDO's work within the AfT framework are given below:

- A joint UNIDO/WTO programme is designed to combat the marginalisation of cotton producers in 11 West and Central African countries, including the nine largest cotton producers in SSA. The activities in this project comprise the provision of training, strengthening industrial supply capacity, establishment of quality evaluation systems, strengthening quality infrastructure, development of a cotton quality database standardisation through the introduction of a special cotton label and establishment of partnerships with international companies. The potential impact can be measured in terms of improved employment creation (10,000 new jobs), increased productivity (20-40% in the short term), greater value-added (5% increase in the short term), higher level of processing (rising from 5 to 25% by 2015) and increased export revenues (20-40% in the medium term).
- In another trade-related project, UNIDO is assisting the eight member states of the West African Economic and Monetary Union in the establishment or strengthening of their institutional infrastructure. Aimed at overcoming the technical barriers to trade, the project is focused on establishing a regional system for accreditation and certification, harmonising standards and strengthening standards bodies, as well as promoting quality and consumer protection. The programme's impact is reflected in the increase in the export of fish products to the EU (involving more than 100,000 fishermen and their families), boosting exports of cotton and increasing sales revenue (impacting on no less than 10 million people), increasing consumer awareness and introducing consumer protection programs, as well as securing the countries greater participation in international trade through the development of standardisation and quality promotion activities.

Authors' remarks

It is in the authors' intention that this paper does not answer all questions but leaves them open to discussion. We understand this paper as an effort of "putting the topic in its place", meaning that we want to give a brief overview of the issue and especially of the role that trade capacity building has within the work of UNIDO. The latter is important to understand, because that is what we will deal with in the committee. At this point it is crucial to recognize how the work of UNIDO functions and how it approaches the issue of trade capacity building specifically in Sub-Saharan Africa.

You as a delegate, as a representative of a country have to formulate a plan, a position and point concerning how UNIDO should deal with the topic that is on our agenda. You have to recommend actions, necessary steps that should be taken and discuss final solutions in order to maximize the effect of trade as a source of economic growth and regional development for the SSA countries.

As VIMUN 2008 is a simulated conference we do not expect you to be experts in this area. However, this paper cannot replace your own research for materials and your studies on the topic. To make sure we are going to have a good discussion on a high level, each delegate must get as much preparation as possible. Each delegate should try to get comprehensive information on the situation and the policies concerning our topic and its features for the country you are representing at the VIMUN 2008. In order to be able to do so you can contact relevant organizations and institutions or use other sources of information that may help you to develop an understanding of the issue. Sources like Ministries for Economic and Environmental Affairs, Chambers of Commerce, Trade Commissions, UNIDO and other relevant international organizations, NGOs, academic institutions, libraries, the internet and the press might be helpful.

If you have any further questions or need any help with the topic, please do not hesitate to contact us under unido.vimun@afa.at

"When we discuss poverty alleviation, or industrial development, we must always remember it is about people. It is not an abstract concept. It is about people in my village. So let us be real, let us be practical. Theory must come to practice; practice must be financed well."

and also

"Together we can make a difference"

(Kandeh Yumkella in his Vision statement on UNIDO 2005)

In this spirit let's have fruitful and exciting discussions!

We wish you good luck with the preparations for our committee sessions and are looking forward to meeting you all in August 2008 at the UN-Office at Vienna!

Your UNIDO-Team,
Tina, Verena and Christoph

How to prepare my country's position

To be able to present your country's position in a realistic way during the VIMUN-conference, an elaborate statement and understanding of your state's position on the topics to be discussed is necessary. Here are some more hints how to find out more about your country's position in general:

- contacting your country's Mission to the UN (sometimes they have very useful homepages)
- contacting an embassy of your country or the country's foreign ministry
- see the CIA-fact book for country facts
- checking libraries, media, newspapers and books about your country
- looking for speeches from the countries president or foreign minister concerning the country's stance

Links for further research

Important Papers and Conferences

http://doku.cac.at/eu_africa_strategy_final_071209.pdf - The Africa-EU Strategic Partnership - Joint Africa-EU Strategy. Lisbon December 2007

<http://www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1094235520151> – G8 Gleneagles Summit 2005

<http://www.un.org/esa/ffd/monterrey/MonterreyConsensus.pdf> - Monterrey Consensus on Financing for Development. International Conferences on Financing for Development. Monterrey, Mexico. March 2002

<http://www.aidharmonization.org/secondary-pages/Paris2005> - Paris High Level Forum. March 2005

www.uneca.org/eca_programs/trade_and_regional_integration/documents/monterreyconsensusmainreport.pdf - The Monterrey Consensus and Trade in Africa

<http://www1.worldbank.org/harmonization/Paris/FINALPARISDECLARATION.pdf> - Paris Declaration on Aid Effectiveness

http://www.uneca.org/eca_resources/Conference_Reports_and_Other_Documents/trid/Cancun-ECAPositionPaper-ENG.pdf - **The Doha Round and African Development: Turning Words into Deeds**

UN, UNIDO, Sub-Saharan Africa and trade

<http://www.un.org/millenniumgoals/pdf/mdg2007.pdf> - Millennium Development Goals Report 2007

<http://www.un.org/millenniumgoals/> - Millennium Development Goals

<http://www.mdgmonitor.org/goal8.cfm> - MDG Monitor

<http://www.unido.org/index.php?id=o51261&L=0> - UNIDO: Trade Capacity Building

<http://www.unido.org/index.php?id=182&L=0> - UNIDO: African Programme

<http://www.unido.org/index.php?id=o85048> - Projects of UNIDO in Africa

http://www.unido.org/fileadmin/media/documents/pdf/tcb_aid_for_trade.pdf - UNIDO brochure on its practical contribution to the Aid for Trade Initiative

<http://www.unido.org/en/doc/24736> - UNIDO Report "Industrial Clusters and Poverty Reduction

<http://www.unido.org/index.php?id=93> - UNIDO Annual Report 2007

<http://www.unctad.org/Templates/doc> - UNCTAD Documents about SSA

<http://www.uneca.org/> - UN Economic Commission for Africa

<http://www.acdi-cida.gc.ca/subsaharanafrica> - Definition of "Sub-Saharan Africa" by the Canadian International Development Agency

<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/0..contentMDK:20563739~menuPK:1613741~pagePK:146736~piPK:146830~theSitePK:258644,00.html> - World Bank: Facts about SSA

http://siteresources.worldbank.org/DATASTATISTICS/Resources/ssa_wdi.pdf - World Bank: Statistical Data about SSA

http://www.oecd.org/document/15/0,2340,en_2649_3236398_35401554_1_1_1_1,00.html - OECD Documents on the topic (Paris Declaration on Aid Effectiveness)

Observers

<http://www.oxfam.org/en/> - OXFAM

<http://www.worldbank.org> - Worldbank

<http://www.wto.org/> - WTO

A further useful link to prepare for VIMUN might be

<http://www.unausa.org/site/pp.asp?c=fvKRI8MPJpF&b=457131>

Here you will find a "Model UN preparation guide" with a lot of tips concerning: Research, Position Papers, Public Speaking, Rules of Procedure, Writing Resolutions and Dress Code. But keep in mind: VIMUN has specific Rules of Procedure and Resolutions Writing etc. – this link can just give you some general ideas about a Model of United Nations.