

# Introduction to multilateral institutions and their involvement in trade issues

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# Objectives

- Understand some major functions of key multilateral institutions.
- Understand their involvement in trade issues.

# Some of the key multilateral institutions

- World Bank
- International Monetary Fund (IMF)
- United Nations Conference on Trade and Development (UNCTAD)
- International Trade Centre (ITC)
- United Nations Development Programme (UNDP)
- United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)
- United Nations Industrial Development Organization (UNIDO)
- World Customs Organization (WCO)
- World Intellectual Property Organization (WIPO)

# World Bank

- Established after WWII, initially as the International Bank for Reconstruction and Development (IBRD).
- Currently made up of two unique development institutions: IBRD and International Development Association (IDA), and three other agencies: International Finance Corporation (IFC), Multilateral Investment Guarantee Agency (MIGA) and International Centre for Settlement of Investment Disputes (ICSID).
- Supports trade as a platform to sustainable growth and development.

# World Bank's involvement in trade issues

- A separate International Trade Department: Provides trade policy and advisory services.
- Provides Aid for Trade (AfT): Largest multilateral provider of (AfT).
- Policy advice and technical assistance in work undertaken under Integrated Framework (IF) and Enhanced Integrated Framework (EIF). E.g., in the case of Nepal, involvement in the *Nepal Trade and Competitiveness Study* as part of the IF, and later *Nepal Trade Integration Strategy* as part of EIF.
- Prepares Logistics Performance Index
- Investments by the IFC in private sector activities such as trade finance. It also prepares “Trading Across Borders” indicators, among others.
- Major source of trade-related information and data, e.g., World Integrated Trade Solution (WITS).

# IMF

- Established together with the World Bank after WWII with the responsibility to oversee the international monetary system to ensure exchange rate stability and encourage members to eliminate exchange restrictions that hinder trade.
- Responsibilities include promoting international monetary cooperation and exchange stability, facilitating the expansion and growth of international trade, and making its resources available to members experiencing balance of payments difficulties.

# IMF's involvement in trade issues

- Provides technical assistance to members in four major areas: i) monetary and financial policies ii) fiscal policy and management iii) statistical data iv) economic and financial legislation.
- One of the core agencies of the IF and EIF.
- Provider of Aid for Trade through Trade Integration Mechanism (TIM)
- Important source of data on international trade: Direction of Trade Statistics (DoTS).

# UNCTAD

- A Conference was organized in 1964 responding to the call of developing countries to convene a full-fledged conference regarding their concerns as to their place in international trade.
- It was then institutionalized to convene the conference every four years.
- A key contributor to the identification of LDCs as a separate group in 1971.
- Focuses mainly on developing and least-developed countries' concerns.

# UNCTAD's involvement in trade issues

- One of the six core agencies of the EIF Working Group.
- One of the key organizations represented on the WTO Director-General's Advisory Group on Aid for Trade.
- Provides advisory services, technical assistance on issues related to international trade.
- Source of information and data on international trade: *Trade and Development Report, Least Developed Countries Report, World Investment Report, Handbook of Statistics, etc.*

# ITC

- Joint cooperation agency of UNCTAD and WTO for business aspects of trade development.
- Complements the work of the WTO and UNCTAD by building the private sector understanding and partnership with the public sector in making a successful bid for membership in the WTO by LDCs.
- Represented in the WTO Director-General's Advisory Group on Aid for Trade (AfT), where its private sector expertise and orientation is particularly relevant to the WTO's efforts to better mobilize, monitor and evaluate AfT.

## ITC (contd...)

- Works with the business community to highlight private sector concerns, so that the business voice is included in the AfT process.
- One of the six core agencies of the EIF.
- Provides technical assistance, e.g., *Export Potential Assessment in Nepal* (2007) and *Nepal Trade Integration Strategy* (2010).
- Provides Market Analysis Tools: Trade Map, Market Access Map, Investment Map, Trade Competitiveness Map, Standards Map.

# UNDP

- United Nation's global development network. Focuses on human development (Annual Human Development Report).
- Focal organization for MDGs (MDG Reports).
- Uniquely placed because of its country presence in virtually all the UN member countries.
- Helps developing countries attract and use aid effectively.

# UNDP's involvement in trade issues

- One of the focus areas of its work is “Trade, Intellectual Property and Migration”.
- Focuses on trade from the perspective of human development.
- Supports developing countries under this work area, e.g. on issues of international trade, IPR, technology transfer, etc.
- One of the core agencies of the EIF Working Group.

# UNESCAP

- Regional development arm of the United Nations for the Asia-Pacific region with headquarter in Bangkok. Recently, a new sub-regional office in Delhi to look after South and South-West Asia.
- Focuses on issues that are most effectively addressed through regional cooperation.
- Works in eight areas, including macroeconomic policy and development, transport, environment and sustainable development, and trade and investment.

# UNESCAP's involvement in trade issues

- Provides regional-level support to supply-side capacity-building in areas such as investment promotion, enterprise development and trade facilitation.
- Major focus areas of the Trade and Investment Division: Doha Development Agenda, Regional Trade Agreements, Trade Facilitation, Investment Promotion and Facilitation, and Enterprise Development.
- Provides research and capacity building training programmes to researchers in the Asia-Pacific region through the Asia-Pacific Research and Training Network on Trade (ARTNeT).
- Maintains a database of Asia-Pacific Trade and Investment Agreements and Interactive Trade Indicators.

# UNIDO

- Specialized agency of the United Nations with the mandate to promote and accelerate sustainable industrial development in developing countries and economies in transition.
- Focus on three main thematic areas: Poverty Reduction through Productive Activities, Trade Capacity-Building, and Energy and Environment.

# UNIDO's involvement in trade issues

- One of the largest providers of trade-related development services.
- Assists countries to develop the conformity infrastructure needed, in particular, to fulfill the requirements and obligations under the Agreements on SPS and TBT (e.g., an ongoing project in Nepal).
- Joined the EIF in June 2009.

# WCO

- The only intergovernmental organization exclusively focused on customs matters.
- Particularly noted for its work in areas covering the development of global standards, the simplification and harmonization of customs procedures, trade supply chain security, facilitation of international trade, among others.
- Maintains the Harmonized System (HS) goods nomenclature, and administers the technical aspects of the WTO Agreements on Customs Valuation and Rules of Origin.

## WCO (contd...)

- Started participating in the AfT initiative very recently. Participated in the AfT Advisory Group meeting for the first time on 12 April 2011.
- Supported the AfT initiative by providing case studies on success stories and lessons learnt in customs reform and modernization processes.

# WIPO

- The key international organization dealing exclusively with intellectual property rights.
- Plays a pivotal role in the negotiation and establishment of intellectual property norms.
- One of its objectives is to promote the protection of intellectual property throughout the world through cooperation among states. Also responsible for facilitating the transfer of technology related to industrial property to developing countries.

# WIPO's involvement in trade issues

- Has offered technical assistance to developing countries implementing TRIPS and provided a forum for the negotiation of new intellectual property treaties.
- Has also become a forum for substantive discussion on emerging intellectual property issues, including ones of interest to developing countries, such as protection of traditional knowledge and cultural expressions.
- Major source of information and data on IPR.

Other organizations...?

**THANK YOU**