



**Statement by the UNDP Assistant Administrator and Director of the Bureau
for Development Policy Olav Kjørven**

**UNCTAD XII, Special Event, Launching of the United Nations Chief Executives Board (CEB)
Interagency Cluster on Trade and Productive Capacity**

ACCRA, GHANA - SUNDAY 20 APRIL, 01.45 P.M.

UNDP has a genuine desire for close partnership with other UN agencies in the trade and development area and in support of our common objectives including meeting the MDGs. As such, UNDP is very pleased to take part in this special event to launch the CEB Interagency Thematic Cluster on Trade and Productive Capacity for two main reasons.

First, the Cluster's focus on the nexus between trade and productive capacity underscores the challenge faced by many developing countries, in particular the least developed countries (LDCs), to strengthen both domestic productive capacities and deal with supply side constraints in the context of national development and poverty reduction strategies. This must remain among the highest priority objective for both Aid for Trade initiatives and national trade and development policy if sustainable employment opportunities are to be created. To the extent that trade can be a major driver of economic growth and sustainable employment, capacity development across sectors in the real economy will be vital for achieving positive human development outcomes that are both inclusive and sustainable.

Second, the Cluster should enhance the vital coordination role of the CEB (including the UNDG and other inter-agency mechanisms) and ensure that issues related to trade and the productive sectors and their interface with the MDGs are adequately taken into account in the "Delivering as One" and UN-wide coherence processes. To this end, the work of the cluster will and should encompass not only the role of trade and productive sector policies in UN analytical and normative work but also in capacity development operations.

In particular, the Cluster will help to strengthen a coherent UN response to the Aid for Trade Initiative and to the Enhanced Integrated Framework. UNDP attaches great importance to both of these programmes which focus on the ability of developing countries to derive gains from the opportunities offered by the international trading system.

UNDP's recently approved Strategic Plan (2008-2011) recognizes that trade capacity development is key to building national capacities for a more inclusive and equitable globalization, including for the achievement of the MDGs. In this context, UNDP's strategy to support trade capacity building initiatives is guided by its corporate mandate and seeks to address three core capacity development needs: (a) the capacity to integrate pro-poor policies in national development strategies and PRSPs; (b) the capacity to negotiate, interpret and implement trade agreements in a manner which prioritizes poverty reduction and human development concerns; and (c) the capacity to compete internationally by overcoming institutional, human and other supply side constraints.

UNDP therefore warmly welcomes the initiative to establish the CEB Interagency Cluster on Trade and Productive Capacity. We fully subscribe to the terms of reference that have been agreed and which are aimed at coordinating a multidimensional and multifaceted UN approach to address the implications of the wide and deep impacts of integration into the international economy and trading system for developing countries on various aspects of their economic, social, cultural and development processes.

The presence of Secretary-General Ban Ki-moon at this launch underscores his commitment to interagency collaboration initiatives such as this one. UNDP truly hopes that such structured UN system-wide collaboration such as through the CEB Cluster on Trade and Productive Capacity will be replicated in the future.

I wish to emphasize that UNDP is keen to work closely with all Cluster partners to realize our common objectives and specific mandates at the global, regional and country levels. The Trade and Human Development Unit at the UNDP Geneva Office will continue to serve as our corporate focal point for the Cluster at the technical level. I salute the active role played by UNCTAD in spearheading the work to make the Cluster a reality. I also salute the Cluster initiatives that are already underway such as interagency collaboration on country programming of trade and productive sector issues including through the One UN country pilots. Coordinated country programming is a critical platform through which non-resident agencies can contribute to a system-wide approach at the country level. The recent publication by UNIDO, *Trade and Capacity Building Interagency Resource Guide*, has identified the main areas of assistance delivered by the agencies and entities of the Cluster to facilitate interagency cooperation. UNDP has also provided both substantive and financial support to the Cluster's effort to design and deliver training activities for Resident Coordinators and their staff aimed at raising awareness and understanding of the linkages between trade, poverty reduction, human development and the MDGs.

Before I conclude, I would like to specially acknowledge the presence of the National Coordinator for the Integrated Framework in Mali on this podium as he represents a partner country perspective and experience of what can be achieved through concrete interagency collaboration on the ground.

Thank you.