

Promoting economic growth and poverty reduction



Globalisation can be a powerful force for greater economic growth, poverty reduction and sustainable development in line with the Millennium Development Goals. The Commonwealth Secretariat's technical assistance programmes help to equip developing member countries with the capacity needed to harness the forces of globalisation, while meeting its corollary challenges.

This is achieved through the Commonwealth Fund for Technical Co-operation, which funds assistance in a range of areas including export and investment promotion; enterprise and agricultural development; financial and private sector development; natural resource management; maritime boundaries; tourism; and debt management.

The Secretariat continues to pursue strategic partnerships with other agencies. Examples include collaboration with EU-ACP joint institutions in export promotion, with the International Trade Centre (UNCTAD/WTO) on standards, and with l'Agence Intergouvernementale de la Francophonie, resulting in a French language version of the Secretariat's groundbreaking debt management software, considerably widening its reach in Africa in particular.

Export and investment promotion

Strong export growth is key to developing countries' efforts to improve their people's living standards. Recent trade-related assistance from the Secretariat to Uganda's Export Development Board helped to develop a comprehensive trade promotion programme for non-traditional exports. Another CFTC-funded initiative identified new opportunities in North America and Europe for Sri Lankan clothing sales. Two workshops on the herbal medicine business in the Pacific and Caribbean regions resulted in increased exports of herbal extracts and greater integration of such treatments into national health care systems.

The Secretariat also plays a leading role in enhancing member countries' capacity to attract domestic and foreign investment. For example, Trinidad and Tobago was promoted as an attractive location for competitive manufacturing and service industries for North America.

A modern and efficient customs

department is a priority in developing trade and investment. A series of training workshops organised jointly by the Secretariat, the World Trade Organisation and the World Customs Organisation, attended by 45 countries, increased their knowledge of the WTO rules for customs valuation.

Tourism continues to be the main foreign exchange earner for many Commonwealth developing countries. Through CFTC intervention, a Tourism Master Plan was developed for Jamaica. A similar exercise was undertaken to develop a regional strategy for the tourism sector for the East African Community. Tour operators from member countries of the Southern African Development Community benefited from a CFTC-funded promotional programme to North America to increase their exposure in that marketplace.

Enterprise and agricultural development

Assistance in enterprise and agricultural development, targeting small and medium-sized enterprises, agro-industries and coastal fisheries, is central to the Commonwealth's poverty reduction programmes. Such assistance has included the development of



Above:

Commonwealth Deputy Secretary-General Winston Cox presented a new Tourism Master Plan for Jamaica to Aloun Ndombet-Assamba, Minister of Industry and Tourism

Right:

A debt management training programme in Samoa

Opposite:

Commonwealth assistance in enterprise and agricultural development has targeted small and medium-sized enterprises

the small-scale paint manufacturing sector in The Gambia, and fostering the growth of new small enterprises within Kenya's Export Processing Zones. Malta and Sierra Leone benefited from projects to enhance the competitiveness of their small-scale manufacturing sectors.

CFTC agro-industrial activities ranged from policy advice to practical pilot projects. Work in Brunei Darussalam developed strategies for increasing agricultural competitiveness. In Uganda, small producers received assistance in marketing organic products. Pilot agro-processing plants have been set up in The Gambia to add value to the produce of women farmers. Such country-level assistance is complemented by training workshops for senior policy-makers on designing competitiveness strategies.

Work in the fisheries sector has focused on resource management and on standards required by export markets. Pacific islands are being assisted in reviewing legislation and enforcement of stock management. Similar work has been initiated in the Caribbean to develop guidelines on sanitary standards for marine produce. In association with the International Trade Centre, the Secretariat has undertaken an assessment of the technical assistance needs of developing countries in the areas of sanitary and phytosanitary systems and technical barriers to trade.

Financial and private sector development

In this area the Commonwealth seeks to facilitate the mobilisation of domestic capital: for example in Maldives and Sierra Leone, by instituting regulatory arrangements for the establishment of stock markets and the development of capital markets; and in Uganda, by creating collective savings and investment schemes. Work to facilitate private sector development included assistance to The Gambia in the preparation of competition policy and law, and a diagnostic review of Ghana's regulatory and institutional barriers to private sector investment.

Natural resource management

Many member governments seek the Commonwealth's advice on their mining and petroleum industries: in developing regulatory and competitive arrangements for attracting investment; with regard to exploration for oil, gas and minerals; and for negotiating investment agreements with international corporations. The Secretariat's advice covers industry trends and best practice in such areas as fiscal terms and

legal and contractual provisions.

Dominica received assistance on how to evaluate an oil company exploration proposal and the regulatory implications of oil operations. For Barbados, a review of investment terms to suit operations in deep offshore waters was undertaken. Both Kenya and Swaziland invited the Commonwealth to help them establish modern regulatory arrangements for mineral exploration and mining, including environmental and social safeguards. The Government of Namibia received support in evaluating plans to commercially develop the Kudu gas resource.

Maritime boundaries

Technical assistance on the delimitation of maritime boundaries is a Commonwealth speciality. This can take the form of advice to a government on negotiations with neighbouring countries; the preparation of technical reports and negotiating briefs; or secondment of an adviser to a national negotiating team. Such assistance also includes advice on various Law of the Sea issues, the construction of maps and charts, and the training of government officials. Grenada, Guyana, Jamaica, Kenya, Mauritius, Samoa and Seychelles have recently benefited from such assistance.

Debt management

The Secretariat's promotion of sound debt management has been crucial in helping heavily indebted poor countries (HIPCs), small states, and other economies most vulnerable in today's volatile economic environment, to meet growth and poverty reduction objectives.

A significant milestone was the release in 2002 of a new version of the Commonwealth Secretariat Debt Recording and Management System (CS-DRMS 2000+) software, to more than 50 countries – both in and outside the Commonwealth. In use since 1985, CS-DRMS allows countries to manage different types of debt flows in an integrated manner and is a valuable tool for both policy-making and improving transparency in economic management.

Demand for capacity-building in various aspects of debt management remained high. The Secretariat completed a series of six regional programmes on debt recording using CS-DRMS 2000+ in collaboration with various countries and institutions. The debt management programme was extended to several new countries including Malta, South Africa and two non-Commonwealth countries, Niger and Guinea, in partnership with l'Agence Intergouvernementale de la Francophonie. Efforts to sensitise debt



managers on the need to consider gender issues in all aspects of debt management continue. CS-DRMS is currently in use by 53 countries of which nine are not Commonwealth members.

The Secretariat's assistance to HIPCs (including Ghana, Malawi, Mozambique and the United Republic of Tanzania) was responsive to the changing nature of their debt problems, with increased emphasis now being placed on domestic, private sector and short-term debt. The publication of *Contingent Liability Management: A Study on India* in 2002 helped sensitise member countries to the importance of monitoring such liabilities.

Adding value to the Secretariat's technical assistance, strategic partnerships with other agencies were further strengthened. One notable outcome was the document *External Debt Statistics: Guide for Compilers and Users*, produced by the International Monetary Fund-led Task Force on Finance Statistics, of which the Secretariat is a member.