

Findings from Services Policy Reviews for the LDCs

PRESENTED BY MS. LIPING ZHANG

DIVISION ON INTERNATIONAL TRADE & COMMODITIES

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What are SPRs?

A comprehensive assessment of

- a country's overall status of services development;
- a diagnosis about its specific sectors; and
- identification of policy options.

Completed SPRs for LDCs

- ✓ Bangladesh
- ✓ Lesotho
- ✓ Nepal
- ✓ Rwanda
- ✓ Uganda I and II



Sectors examined

Uganda I (2010)	Insurance, legal, accounting, construction and engineering services
Nepal (2010)	Tourism and ICT services (software)
Lesotho (2011)	Financial, professional (health) and tourism services
Rwanda (2011/2013)	Tourism, ICT and IT-enabled services
Uganda II (2013)	Distribution, ICT services and computer and related services (CRS) and services auxiliary to all modes of transport
Bangladesh (2014)	Tourism, Telecom and ICT, Construction, professional services

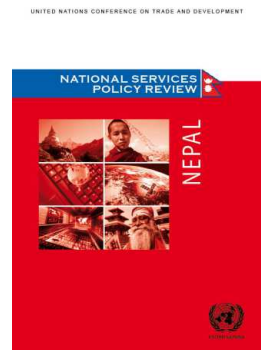
Bangladesh

ICT Challenges	ICT Opportunities
<ul style="list-style-type: none"> ✓ Low FDI and domestic investment ✓ Absence of proper infrastructure ✓ High Bandwidth cost and taxes/VAT ✓ Shortage of skilled workforce ✓ Weak linkage, academia- industry ✓ Payment difficulty 	<ul style="list-style-type: none"> ✓ Large number of young people ✓ Low labour cost ✓ High mobile penetration (3G nationwide) ✓ Establishment of high-tech parks ✓ 2nd submarine cable network underway
Tourism Challenges	Tourism Opportunities
<ul style="list-style-type: none"> ✓ Lack investment, infrastructure, tourism facilities, communication ✓ Lack of trained human resources ✓ No tourism policy and master plan ✓ Lack of reliable tourism statistics ✓ Difficulties related to visa 	<ul style="list-style-type: none"> ✓ Abundant tourism assets ✓ Price competitiveness ✓ 10 million diaspora ✓ Hospitality



Nepal

ICT Challenges	ICT Opportunities
<ul style="list-style-type: none"> ✓ Inadequate enforcement IP protection ✓ Limited financing and investment ✓ Weak human resources & organizational management ✓ Growing levels of international competition 	<ul style="list-style-type: none"> ✓ Growing interest of MNCs ✓ Stronger cooperation & investment links with India and China ✓ Extend ICT access to rural population ✓ Increased firms-universities partnerships ✓ Increasing Cooperation among SMEs
Tourism Challenges	Tourism Opportunities
<ul style="list-style-type: none"> ✓ Insufficient infrastructures ✓ Inadequate investment ✓ Weak coordination & partnership ✓ Scarcity of resources for publicity ✓ Tourism in a few geographical areas ✓ Climate change 	<ul style="list-style-type: none"> ✓ Unmatched natural products ✓ Rich culture ✓ Tourism as a prioritized industry ✓ Products being diversified



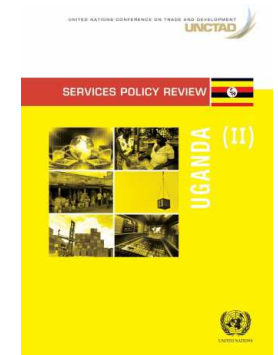
Rwanda

ICT Challenges	ICT Opportunities
<ul style="list-style-type: none"> ✓ Lack of skilled workforce ✓ Lack of resources, coordination and capacity for SMEs ✓ Higher cost of certain ICT services ✓ Perceived weak IP law and enforcement ✓ Shortage of electricity 	<ul style="list-style-type: none"> ✓ Clear policies & strategies for ICT ✓ Progressive reforms ✓ RDB established ✓ Surpass other EAC countries in some indicators
Tourism Challenges	Tourism Opportunities
<ul style="list-style-type: none"> ✓ Insufficient quality of services ✓ Over-reliance on a single tourism product ✓ Limited length of stay ✓ Limited entertainment alternatives 	<ul style="list-style-type: none"> ✓ Clear policies & strategies for tourism ✓ Ongoing projects for infrastructure development ✓ New promising diversification birding routes ✓ Single EAC visa



Uganda

ICT Challenges	ICT Opportunities
<ul style="list-style-type: none">✓ Reliability and affordability of infrastructures✓ Limited government initiatives✓ Limited sources of investment✓ Weak intellectual property right laws✓ Skill shortages for higher value-added IT services	<ul style="list-style-type: none">✓ Large world outsourcing market✓ New IT services facilities launched✓ Relatively low costs✓ Excellent English language skills



Lesotho

Tourism Challenges	Tourism Opportunities
<ul style="list-style-type: none"> ✓ Limited access to financial services ✓ Anti-competitive practices ✓ Limited access to IT ✓ Deficiencies in roads, electricity ✓ Lack of vocational training 	<ul style="list-style-type: none"> ✓ Wide diversify ✓ Strong efforts to overhaul current legislation ✓ Potential for business tourism ✓ Reputation for hospitality ✓ SADC regional integration efforts
Financial Challenges	Financial Opportunities
<ul style="list-style-type: none"> ✓ A highly risk-averse commercial banking sector ✓ Lack of clarity on procedures to access finance and credit facilities ✓ Outdated and ineffective regulation 	<ul style="list-style-type: none"> ✓ participation in the Common Monetary Area ✓ Recent Implement. of several financial reforms



Policy recommendations: ICT sector

Bangladesh	Nepal
<ul style="list-style-type: none"> ➤ Fiscal incentives/Funding support ➤ Easier and affordable payment ➤ IT education, secondary & college ➤ IT parks ➤ bilateral cooperation in the region 	<ul style="list-style-type: none"> ➤ Policy incentive measures ➤ A national venture capital fund for IT firms ➤ Legalizing electronic transactions and digital signatures ➤ Establishing IT specific export processing zones
Rwanda	Uganda
<ul style="list-style-type: none"> ➤ Promote private sector development, e.g. through GP ➤ Continue improving the legal environment ➤ Expand access to affordable ICT services ➤ An industry-driven training programme 	<ul style="list-style-type: none"> ➤ Regulating the pricing of telecommunications ➤ Establish a regulation for mobile money services ➤ Develop last-mile connectivity for BPO service providers ➤ Improve ICT infrastructure outside Kampala

Policy recommendations: tourism sector

Bangladesh	Lesotho
<ul style="list-style-type: none"> ➤ A Tourism development plan ➤ fiscal support ➤ Inter-agency cooperation, capacity building, security, regional cooperation ➤ Diversifying tourism products ➤ Skill training for tourism workers 	<ul style="list-style-type: none"> ➤ A joint tourism development agenda between Lesotho and South Africa ➤ Strengthening supply chain linkages between multinational tourism enterprises and local suppliers of tourism-related products and services ➤ An incentive framework ➤ Procedures simplified for SMEs to access finance and credit.
Nepal	Rwanda
<ul style="list-style-type: none"> ➤ Improve infrastructure & facilities ➤ Diversify products ➤ Improve development programmes for tourism workers ➤ Develop public-private partnership ➤ More national tourism marketing efforts 	<ul style="list-style-type: none"> ➤ Regulate tourism professions as needed ➤ Offer recreational/cultural/sporting services ➤ Reinforce education & learning programme ➤ Strengthen partnership with local operators



Thank you

More information on UNCTAD's Services Policy Reviews:

<https://unctad.org/en/Pages/Publications/Services-Policy-Reviews.aspx>

Or Google:

UNCTAD, Services policy reviews