

**Second Joint WTO/OECD Report on Trade-Related Technical Assistance
and Capacity Building (TRTA/CB)**

Preface

As Ministers prepare to gather at Cancun for the Fifth Ministerial Conference of the World Trade Organization, we are pleased to present this report on the response of donors to the challenge of the Doha Development Agenda to provide trade-related technical assistance and capacity building to developing and transition countries.

The report draws on the Doha Development Agenda Trade Capacity Building Database (TCBDB) that was launched by the WTO and OECD Secretariats in November 2002 along with the first of these joint reports. This comprehensive, user-friendly tool aims to assist the development and trade policy communities to achieve higher degrees of coordination and coherence, avoid duplication, share information, and monitor the implementation of commitments registered in the Doha Ministerial Declaration. The database and this report cover activities in 2001, 2002 and part of 2003.

While only one step to enhancing multilateral and bilateral collaboration and coherence, framed within the Doha Development Agenda, the TCBDB is already proving a useful tool to improve knowledge and understanding of the multiplicity of programmes and identify where additional efforts should be applied. This second report also contains some case studies that show the diversity of activities and the lessons from evaluation of what works best.

As the TCBDB grows in value, we trust that it will become the permanent device that is needed to make trade-related technical assistance and capacity building a constructive and positive support for the development efforts of the global community.

Dr. Supachai Panitchpakdi
Director-General
World Trade Organization
Geneva

Mr. Donald J. Johnston
Secretary-General
Organisation for Economic
Co-operation and Development
Paris

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The Trade Capacity Building Database can be accessed at:

<http://tcbdb.wto.org>

This report has been produced by a joint WTO/OECD team led by Paul Rolian, Director of Technical Co-operation Division, WTO and Brian Hammond, Head of Statistics and Monitoring Division, Development Co-operation Directorate, OECD. The team comprised Jens Andersson, Julia Benn, Richard Carey, Josie D'Angelo, Ebba Dohlman, Susan Harrison, Caroline Lesser, Serafino Marchese and Rudolphe Petras.

Please send any comments, suggestions and questions by e-mail to Susan.Harrison@wto.org and Rudolphe.Petras@oecd.org.

I. Overview

The Doha Development Agenda Trade Capacity Building Database (TCBDB)¹ contains over 8000 activities for 2001, 2002 and early 2003, provided by 39 bilateral donor countries and multilateral agencies. This report establishes a baseline for 2001 and 2002 that shows that there was an annual average of some 1665 commitments, equivalent to US\$ 719 million, to activities that cover all aspects of *trade policy and regulations* identified in the Doha declaration, and an average of a further 1860 commitments, or US\$ 1408 million, to activities in *trade development*². In addition to these TRTA/CB activities, the average of US\$ 8.1 billion committed to economic infrastructure in 2000 and 2001 (some 20 % of all aid) helps to build the transport, energy and communications network essential for international trade.

Commitments to TRTA/CB equate to some 4.8% of total aid³ commitments in 2001-2002, on a par with the share going to population programmes and more than the shares going to basic education or basic health. This statistic is one of the 48 indicators to monitor the Millennium Development Goals, under Target 12 - "Develop further an open, rule-based, predictable, non-discriminatory trading and financial system". Least Developed Countries (LDCs) account for some 20% of *trade policy and regulations* and 30% of *trade development* activities by value, in line with their 30% share of total aid.

In response to the Doha declaration, most donors increased both the quantity and value of their bilateral TRTA/CB activities, as well as their participation in multilateral trust-funds and programmes such as the Doha Development Agenda Global Trust Fund (DDAGTF), the Integrated Framework, and the JITAP. But comparison between 2001 and 2002 shows that, while the number of TRTA/CB activities increased by 22% on average and the value of bilateral aid to *trade development* increased by 28%, the value of bilateral aid to *trade policy and regulations* was flat and the total value in both categories slightly decreased overall, mainly due to the periodicity of the programming cycles of the European Commission and the World Bank - the largest multilateral providers of TRTA/CB.

Surveys of donor policies also indicate that donors have become much more active in TRTA/CB over the last few years. The Doha Ministerial Meeting appears to have had a significant impact in this respect. This increased activity is reflected in enhanced awareness among donors of the importance of TRTA/CB for development and poverty reduction, the substantial strategic thinking currently underway among donors, strengthened dialogue with trade policy makers and experts, and increased funding for TRTA/CB.

The aim of TRTA/CB is to promote greater participation of developing countries in the multilateral trading system and the world economy, as part of addressing poverty reduction. Multilateral agencies and programmes are the main TRTA/CB channels for many donors, though some of the larger ones also have substantial bilateral programmes. There are also efforts underway to put more emphasis on trade in donors' bilateral country programme processes, but the outcome depends on the priorities of the partner countries.

¹ See <http://tcbdb.wto.org>.

² Since the First Joint WTO/OECD Report on TRTA and CB, published in November 2002, many donors have improved the coverage of their activities and their methodology, and donors that did not respond to the first collection of data are now participating. In consequence, totals in this report are different (and in general higher) than those shown in the first report.

³ Source: OECD Development Assistance Committee statistics on flows of Official Development Assistance (ODA) – www.oecd.org/dac/stats.

II. Background

At the Doha Ministerial Conference, Ministers recognised that technical co-operation and capacity building are core elements of the development dimension of the multilateral trading system. In line with this recognition and with a view to smooth the process of implementation of the variety of TA and CB commitments incorporated in the Doha Ministerial Declaration, Ministers also acknowledged the critical importance of coherence and co-ordination at three different levels:

- at the national level in beneficiary countries
 - co-ordination among all actors through institution building, and
 - coherence through mainstreaming trade aspects into global development plans;
- at the international level
 - co-ordination among bilateral donors, mainly through mechanisms established between the WTO and the Development Assistance Committee of the OECD; and
 - rationalisation of the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries and the Joint Integrated Technical Assistance Programme; and
- at the inter-agency level
 - co-ordination among multilateral institutions and establishment of strategic alliances with regional institutions, including regional development banks, UN regional economic commissions, and regional integration secretariats.

The critical significance of the ministerial co-ordination mandate, and the overall magnitude of the task at hand, clearly showed that no single multilateral or regional agency could undertake such a task on its own. Resources had to be put together in order to generate the synergies required to carry out the work and be in a position to provide a useful and efficient tool to the international community.

With these objectives in mind, the WTO and the OECD Secretariats, along with a number of interested delegations from TRTA/CB providers joined their efforts to create the Doha Development Agenda Trade Capacity Building Database (TCBDB).

The TCBDB has been established with the purpose of providing information on trade-related technical assistance and capacity building projects. It covers national as well as regional projects. The period of coverage is from 2001 to early 2003. Data are reported from those bilateral donors and multilateral/regional agencies that replied to the requests for information sent in May 2002 and March 2003 by the Director-General of the WTO and the Secretary-General of the OECD. A search of the database can be performed by beneficiary country, or donor country or agency, or trade category, and a tool has been provided to allow statistical analysis.

III. Coverage and Definitions

Definition and categories

For the purposes of data collection, TRTA/CB was defined as activities that intend to enhance the ability of the recipient country to:

- formulate and implement a trade development strategy and create an enabling environment for increasing the volume and value-added of exports, diversifying export products and markets and increasing foreign investment to generate jobs and trade; **or**
- stimulate trade by domestic firms and encourage investment in trade-oriented industries; **or**

- participate in and benefit from the institutions, negotiations and processes that shape national trade policy and the rules and practices of international commerce.

Activities were further classified under two main categories. (The list of sub-categories and their definitions is given in Annex 2.)

- **Trade policy and regulations** covers support to aid recipients' effective participation in multilateral trade negotiations, analysis and implementation of multilateral trade agreements, trade policy mainstreaming and technical standards, trade facilitation including tariff structures and customs regimes, support to regional trade arrangements and human resources development in trade.
- **Trade development** covers business development and activities aimed at improving the business climate, access to trade finance, and trade promotion in the productive sectors (agriculture, forestry, fishing, industry, mining, tourism, services), including at the institutional and enterprise level.

Activities to enhance the infrastructure necessary for trade - transport, storage, communications and energy - were excluded from the special data collection. The fact that roads, telephones or electricity are part of a network makes it difficult to assess to what extent they focus on international trade. For example, it would be wrong to say one road is trade-related because it goes to a port, while a rural road in a coffee growing region is not. Thus for this report all aid to infrastructure is deemed, *inter alia*, to assist international trading. Data on aid to infrastructure collected in the OECD's Creditor Reporting System (CRS) were therefore considered as sufficient to cover in this aspect of trade-related assistance.⁴ The TCBDB provides direct access to the CRS on-line database that permits examination of aid to infrastructure at the level of individual activities or aggregated by donor, recipient and/or sector.

While TRTA/CB under the category *trade policy and regulations* can be considered as extended with the sole purpose of promoting trade, *trade development* (and, to an even greater extent, infrastructure) activities generally have another major objective. For example, while coffee export development is clearly "trade-related", its primary objective is to foster the development of the agricultural sector. Given these variations in the degree of focus on trade capacity, it is preferable to avoid direct comparisons of the number and the value of activities between the three categories.

Coverage

The TCBDB comprises detailed information on nearly 8000 activities from 2001 to early 2003. The coverage in the database of commitments made in 2003 varies from one donor to another⁵. In consequence, for the sake of comparability, this report analyses just the 7000 new commitments⁶ of TRTA/CB made in 2001 and 2002 - for which reporting is most complete.

⁴ Twenty of the 23 DAC Members currently report to the CRS (Greece and Luxembourg do not; New Zealand is expected to provide data as from 2003). The multilateral agencies providing data to the CRS include the African Development Bank (AfDB), the Asian Development Bank (ADB), the Inter-American Development Bank (IDB) and the World Bank. As CRS data for 2002 data are still incomplete, the data on aid to infrastructure presented in this report relate to commitments in 2000 and 2001. The percentages in the Overview are based on total allocable Official Development Assistance (ODA) commitments in 2000-01.

⁵ Some reported most or part of the activities committed in and planned for 2003, whereas others could not yet provide any information for 2003.

⁶ A **commitment** is a firm obligation, expressed in writing and backed by the necessary funds, undertaken by an official donor to provide assistance for a specified purpose and under specified financial terms and conditions for the benefit of the recipient country or multilateral organisation. This report includes all grants and concessional loans. Non-concessional loans (e.g. those from EBRD and IBRD) and self-financed activities (i.e. activities financed by a developing country for itself and implemented by a multilateral TA agency) are included in the database, but excluded from this analysis.

The data reflect trade-related aid activities reported by twenty of the 23 DAC Members⁷, sixteen multilateral organisations, the Czech Republic, Iceland and Thailand. Data for the multilateral organisations include both activities funded through their regular budgets and those implemented by them with bilateral funding (e.g. trust funds).⁸ To avoid double-counting, bilateral donors' contributions to multilateral organisations' TRTA/CB trust funds (e.g. JITAP, Integrated Framework and DDAGTF) are not included in the analysis. Instead the individual activities financed through these trust funds are included. In consequence, a few countries/agencies that did not respond to the data request nevertheless appear as funders of TRTA/CB in the database. In this report, they are referred to as "other bilateral" or "other multilateral" donors.

The data can be considered as representative, as almost all the main TRTA/CB providers participate in the Trade Capacity Building Database. Since the *First Joint WTO/OECD Report on TRTA and CB*, published in November 2002, some donors have improved the coverage of their activities, other donors that did not respond to the first collection of data are now participating, and other donors changed their methodology (in particular to calculate the trade-related share of broader activities). In consequence, totals in this report are different (and in general higher) than those shown in the first report.

Guidance for data analysis

Number vs. value of activities: Aggregate data in this report are based both on the number and the value of activities. Both are necessary to provide a comprehensive picture of TRTA/CB. Investment projects are fewer in number but their large scale means they dominate the financial data. Examining the number of activities helps to bring out the importance of smaller-scale seminars or training courses that can be key to trade capacity building. A few donors could not provide financial data for some or all of their activities.

Differences in determining what constitutes an "activity": Some donors split the individual activities to components with a view to obtaining detailed data on aid allocated to each of the sub-categories. Others classified the whole activity under the most relevant sub-category. Some TRTA/CB providers made a further breakdown of regional activities by splitting amounts between different beneficiary countries, whereas others simply reported "regional" or "global" projects and programmes. As a result, for some donors, the number of records in the database is larger than the "real" number of activities. In this report, the data are based on the real number of activities committed by each donor in 2001 and 2002 (estimated where necessary).

Differences in applying the methodology for reporting trade development activities: A number of donors isolated the trade component of each activity, whereas others reported the whole activity notifying it as trade-related. Although some work to harmonise donors' approaches has been done for the second data collection, the total amounts of TRTA/CB per donor in this category should be interpreted with caution; work on harmonisation of donors' reporting will continue in the future.

Trend between 2001 and 2002: The slight decrease in value of total TRTA/CB between 2001 and 2002 is due to the periodicity of the programming cycle of the two largest multilateral organisations providers of TRTA/CB, the European Commission and the World Bank:

- Trade was an EC priority by 2000 and funds related to some large EC programmes set up in anticipation of Doha continue to be disbursed. New amounts committed in 2003 are expected to be higher.
 - The Country Assistance Strategies for IDA and IBRD countries have three year cycles; for some countries these strategies were developed pre-Doha and introduction of trade activities will have to wait until the next cycle.
- Furthermore, there are ongoing lending activities in some countries that involve trade TA/CB activities; the duration of these activities is on average 3-5 years, so in some cases new lending may not be planned until the next cycle. Trade-related lending activities from the World Bank are expected to increase soon, as spending on trade related studies, which are the first stage of preparation for trade lending, increased from US\$4.4 million in 2001 to US\$8.5 million in 2003 as of end June.

⁷ Data were received from Australia, Belgium, Canada, Denmark, the European Commission, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway (partial for 2002), Portugal, Spain, Sweden, Switzerland, the United Kingdom and the United States. Austria answered the survey but was not in position to provide a detailed list of its activities. No information was received from Greece and Luxembourg.

⁸ Data were received from the following multilateral agencies: APEC, AsDB, EBRD, ESCAP, ESCWA, FAO, IMF, IsDB, ITC, OECD, UNCTAD, UNDP, UNECE, UNIDO, World Bank and WTO. See the list of acronyms at the end of this report.

IV. Trends in TRTA/CB in 2001 and 2002

This report analyses trade-related aid under three headings:

- *trade policy and regulations* - to help countries reform and prepare for closer integration in the multilateral trading system;
- *trade development* - to help develop the business climate and promote trade to business sectors; and
- *infrastructure* - to help countries build the physical infrastructure required to move goods and export successfully.

Chart 1 shows the number of activities and value for each heading by region⁹.

On average, some 3500 TRTA/CB activities per year were committed in 2001 and 2002, almost equally distributed between *trade policy and regulations* and *trade development*. Moreover, some 1900 other activities have been committed on average for *infrastructure* in 2000 and 2001. The value of these commitments amounted to US\$ 719 million for *trade policy and regulations*; double that – at US\$1408 - for *trade development*, and – though by no means all directed to trade – an average of US\$ 8 144 million for *infrastructure*.

Chart 1a - Distribution of TRTA/CB by region and main category – Number of activities

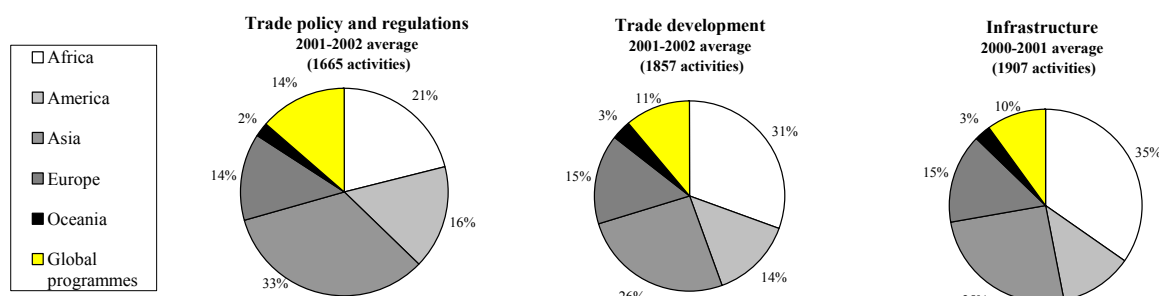
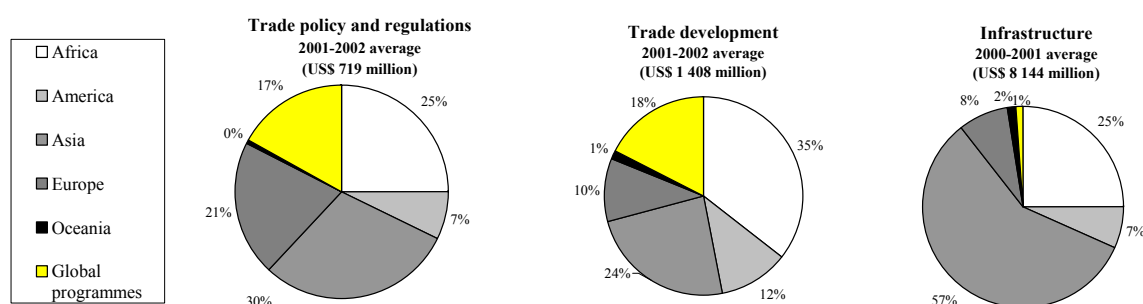


Chart 1b - Distribution of TRTA/CB by region and main category – US\$ million



These amounts cannot be summed to give an overall value for TRTA/CB (see III. Coverage and Definitions). Assistance to trade policy and regulations is often through training and workshops at low cost but with a high payback in terms of institutional capacity building. In contrast, general assistance to the business sector and agricultural or industrial trade-related projects is higher in value, but only part of

⁹ The number and value of activities are higher than recorded in the First Joint Report, for the reasons noted on page 4.

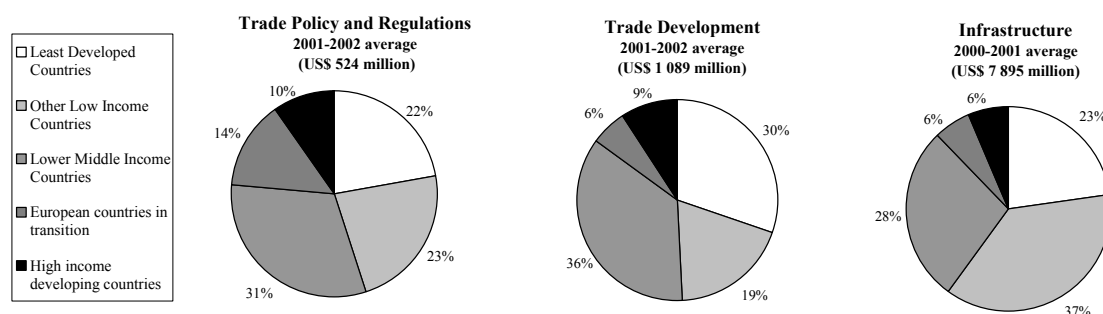
the project may have a direct impact on trading capacity. And infrastructure is “capital intensive” and so high cost.

Nearly every developing and transition country in the world benefited from some trade capacity building in 2001-03, ranging from one attendee at a workshop to multi-million dollar projects across the range of TRTA/CB sub-categories. An example of the latter is the programme of support for the negotiations of economic agreements and the integration in the world economy, covering: reinforcement of the local capacity for trade related training and research; training for negotiators; support through a network of trade advisers; and reinforcement of the capacity to implement international trade agreements. Since 2001, 177 developing countries received some assistance in *trade policy and regulations*, and 163 in *trade development*. The number of activities by recipient ranges from 1 to 260. Five developing countries (China, Indonesia, Thailand, Uganda and Viet-Nam) benefited from more than 150 activities and many countries benefited from 35-45 activities since 2001.

Africa benefited from more than a third of *infrastructure* activities, 31% of *trade development* activities, but only 21% of *trade policy and regulations* activities. This may reflect the fact that, in this region, projects focus on establishing the conditions for trade prior to assistance with trade policy and regulations. Asia accounted for a third of trade policy activities, but only a quarter of *trade development* and *infrastructure* activities. While America and Europe benefited respectively from nearly 15% of the activities in each heading. In terms of value, Asia represented 30% of *trade policy and regulations* and 57% of *infrastructure* commitments, while Africa was the main beneficiary of *trade development* with 36% of the total. A notable feature of TRTA/CB is the large share of global programmes covering a large number of countries; examples include tools for identifying trading opportunities and training modules on standardisation.

The breakdown by income group (see chart 2) shows that Lower Middle Income Countries (LMICs) received a third of the volume of *trade policy and regulations* and *trade development* commitments, while for *infrastructure*, the group of Other Low Income Countries (OLICs) predominated with 37% of commitments. Least Developed Countries (LDCs) received 22% of trade policy, 30% of *trade development* and 23% of *infrastructure* commitments. The chart also shows the focus on trade policy in European countries in transition – with a share for *trade policy and regulations* that is twice their share of *trade development* or *infrastructure*.

Chart 2 - Distribution of TRTA/CB by income group¹⁰ and main category – US\$ million¹¹



¹⁰ See the list of income groups at the end of the report.

¹¹ Calculated on country allocable amounts. In consequence, regional and global programmes (2001-2002 average: US\$ 195 million for *trade policy and regulations*, US\$ 319 million for *trade development* and US\$ 249 million for *infrastructure*) are excluded from the chart.

1. Trade Policy and Regulations

The number of *trade policy and regulations* activities increased from 1415 to 1855 between 2001 and 2002, whereas in value, total commitments to *trade policy and regulations* activities slightly decreased from US\$ 727 million to US\$ 712 million, mainly due to the periodicity of the programming cycle of IDA loans. Furthermore, Table 1 shows that the number of new activities increased between 2001 and 2002 in all categories, except WTO Accession. In value, most of the commitments in *trade policy and regulations* went to trade facilitation (28% of commitments, or some US\$ 200 million), assistance to regional trade agreements (only 8% of total commitments in 2001, but 23% - or US\$ 163 million - in 2002), assistance on technical standards, and aid to integrate trade in development plans. For categories covering WTO multilateral negotiations, those related to environment and competition received the most assistance from donors, notably the United States.

Table 1 - Trade Policy and Regulations in 2001 and 2002 – US\$ million and number of activities

Trade Policy and Regulations	US\$ million		Number of activities	
	2001	2002	2001	2002
33111 - Trade mainstreaming in PRSPs/development plans	94	73	201	233
33112 - Technical barriers to trade (TBT) and sanitary and phytosanitary measures (SPS)	127	58	143	237
33121 - Trade facilitation procedures	214	194	202	267
33122 - Customs valuation	4	17	43	57
33123 - Tariff reforms	0	0	6	7
33130 - Regional trade agreements (RTAs)	57	163	37	66
33141 - Accession	12	25	61	41
33142 - Dispute settlement	1	1	23	26
33143 - Trade-related intellectual property rights (TRIPS)	13	9	53	99
33144 - Agriculture	10	6	38	49
33145 - Services	5	18	34	76
33146 - Tariff negotiations - non-agricultural market access	6	3	85	78
33147 - Rules	9	2	24	38
33148 - Training in trade negotiation techniques	6	8	20	32
33151 - Trade and environment	80	34	69	88
33152 - Trade and competition	41	31	47	69
33153 - Trade and investment	9	11	24	35
33154 - Transparency and government procurement	2	2	5	18
33181 - Trade education/training	37	56	300	338
TOTAL	727	712	1415	1855

More of the quarter of the commitments to *trade policy and regulations* went to regional and global activities. For the main categories, Asia was the largest recipient region for trade integration,

environment related activities and regional trade agreements, while Africa was the main beneficiary for trade facilitation. Inter-regional programmes were predominant in TBT & SPS activities. Low Middle Income Countries were the main recipients in all of the categories mentioned above, except for TBT & SPS and RTAs for which commitments went mainly to LDCs, and trade facilitation for which OLICs were predominant.

2. Trade Development

Trade development activities stayed stable in value between 2001 and 2002 at US\$ 1.4 billion, whereas the number of activities increased from some 1730 to almost 2000. Business support services (36% of total commitments in average on 2001-2002) and trade finance activities – not numerous (just 9% of the activities) but high value (26% of total commitments) – remained the main categories of aid to *trade development*, although commitments in these two categories decreased between 2001 and 2002, mainly due to the periodicity of the programming cycles of the EC and IDA. The other main categories, trade promotion and market development, increased in value in 2002, to reach respectively US\$ 287 million and US\$ 248 million.

Table 2 - Trade Development in 2001 and 2002 – US\$ million and number of activities

Trade Development	US\$ million		Number of activities	
	2001	2002	2001	2002
Business support services and institutions	575	449	872	764
Public-private sector networking	27	28	38	58
E-commerce	2	37	29	64
Trade finance	410	334	158	195
Trade promotion strategy and implementation	229	287	360	473
Market analysis and development	189	248	274	438
TOTAL	1 432	1 383	1732	1992

About a quarter of commitments to *trade development* was for regional and global programmes. Africa was the main recipient region in business support services, trade finance and trade promotion, while commitments to market development went mainly to inter-regional programmes. Low Middle Income Countries were the main recipients in business support services, trade promotion and trade finance, while LDCs were predominant in market development. This paradoxical situation is due to large programmes of trade-related private sector development in African LMICs, such as Egypt, Morocco, South Africa and Tunisia, as well as to multi-million EC programmes to develop ACP countries' markets, not allocable to a particular region.

3. Infrastructure

As mentioned above, not all assistance to *infrastructure* can be considered as directly trade-related, but this assistance is essential to help countries to build up their trade capacity. Some US\$ 7.8 billion in 2001 and US\$ 8.5 billion in 2002 were committed to *infrastructure* activities, while the number of activities stayed stable around 1900 per year. In each of the three *infrastructure* categories, the main recipients were Asia (for the regions) and OLICs (for the income groups), due to the presence of populous Asian countries in this group, such as China, India and Indonesia.

Table 3 - Infrastructure in 2000 and 2001 – US\$ million and number of activities

Infrastructure	US\$ million		Number of activities	
	2000	2001	2000	2001
Transport	5198	5233	795	698
Communications	429	282	451	563
Energy	2185	2961	665	641
TOTAL	7 813	8 476	1911	1902

4. Commitments by donor in 2001 and 2002

Table 4 contains the best estimates of the value of TRTA/CB committed by donor in 2001 and 2002. The table shows that *trade policy and regulations* is financed 38:62 from bilateral and multilateral sources while bilateral financing accounts in average for 56 % of *trade development* commitments.

The columns are not summed on purpose, as amounts shown in the three columns are not directly comparable. Amounts for *trade policy and regulations* (columns 1 and 4) and contributions to trust funds (columns 3 and 6) are considered as solely dedicated to building trade capacity. In contrast, *trade development* activities (columns 2 and 5) are trade-related, but serve other purposes in addition to building trade capacity. A number of donors isolated the trade component of each activity, whereas others reported the whole activity notifying it as trade-related. The total amounts of TRTA/CB in this category should therefore be interpreted with caution (see “III. Coverage and Definitions” for more details).

Contributions to ITC, IFTF (Integrated Framework Trust Fund), *JITAP* (Joint Integrated Technical Assistance Programme) and *WTO* - as recorded by each agency - are shown in columns 3 and 6 in order to show how much was provided by each donor¹². In the final two rows, the *amounts committed by ITC and WTO* (including from *JITAP* and *IFTF*) are shown to reflect the activities they funded from these contributions. Most of the activities financed through the *IFTF* are included under *IDA*’s figures.

Contributions to multilateral agencies that did not provide data are included in the row of the contributing donor. Amounts in the table include activities implemented by *ESCAP*, *FAO*, *UNCTAD* and *UNIDO*, but not financed from their central budgets; these contributions are included in the row of the relevant funding countries or agencies or as “Other bilateral” or “Other multilateral donors”¹³.

For *trade policy and regulations*, the *AsDB*, Germany, the *UK* and the *WTO* recorded large percentage increases, offset by large declines for *Canada* and *IDA*. Contributions to trust funds were up by *US\$ 10 million*.

¹² The detailed contributions to these TRTA/CB Trust Funds and programmes are available at <http://www1.oecd.org/dac/htm/tcbtrustfunds.htm>.

¹³ The amounts committed to activities implemented in 2001 and 2002 by these agencies are as follows, in *US\$ million*:

	2001		2002	
	Trade policy and regulations	Trade development	Trade policy and regulations	Trade development
ESCAP	0.4	0.2	0.5	0.2
FAO	2.6	35.9	3.1	57.8
UNCTAD	5.5	1.5	6.8	2.0
UNIDO	4.5	7.0	2.3	5.3

Table 4 - Commitments of TRTA/CB by donor in 2001 and 2002 – US\$ million

	2001			2002		
	Trade policy and regulations	Trade development (a)	Contributions to multilateral TRTA/CB providers (WTO, IF, ITC and JITAP)	Trade policy and regulations	Trade development (a)	Contributions to multilateral TRTA/CB providers (WTO, IF, ITC and JITAP)
Australia	7.1	5.2	-	5.0	11.3	0.3
Belgium	0.6	4.2	-	1.5	3.6	0.6
Canada (b)	33.0	18.2	1.4	8.6	13.4	1.7
Denmark	0.0	9.2	1.8	-	3.6	1.5
Finland	1.3	2.3	0.6	3.9	2.6	1.1
France (c)	0.8	7.2	0.8	5.3	112.8	1.6
Germany (d)	0.6	80.5	1.3	9.0	65.5	1.2
Ireland	0.5	-	0.4	0.3	-	0.4
Italy	0.2	6.0	0.2	1.0	4.3	1.3
Japan	15.9	36.7	0.2	16.1	34.8	1.5
Netherlands	3.1	21.3	3.0	2.6	22.4	2.3
New Zealand	1.0	5.5	0.1	1.2	6.0	0.2
Norway (e)	4.1	33.0	1.8	0.9	12.3	1.8
Portugal	0.0	1.0	-	0.1	14.5	-
Spain	0.3	0.6	0.1	1.5	0.7	0.2
Sweden	5.1	4.1	1.4	2.7	1.6	3.3
Switzerland	7.6	29.9	5.7	8.1	55.7	5.9
United Kingdom	8.3	39.7	1.2	18.3	35.2	2.7
United States	179.2	376.3	0.4	177.8	437.7	1.5
Total DAC	268.8	680.8	20.4	263.8	838.0	29.0
Iceland (f)	-	-	-	-	1.6	0.0
Thailand	0.7	0.0	-	-	0.2	-
Other bilateral (g)	1.4	4.2	2.3	8.3	38.3	1.1
Total bilateral	270.9	685.1	22.7	272.1	878.0	30.2
AsDB	3.3	0.6	-	59.3	1.4	-
EC	309.9	507.0	0.0	292.3	419.3	0.8
FAO	2.6	5.5	-	3.0	0.5	0.0
IDA (h)	131.4	189.5	0.2	65.9	50.7	1.3
IMF	1.8	-	-	1.5	-	-
UNDP	2.2	1.7	1.0	4.1	4.0	1.8
UNIDO	0.9	0.9	-	0.5	1.1	-
Other multilateral donors (i)	1.1	26.0	0.8	1.9	8.2	0.6
<i>Implemented by ITC</i>	0.1	16.3	-	0.2	20.2	-
<i>Implemented by WTO (j)</i>	2.5	-	-	11.4	-	-
Total multilateral	455.9	747.4	1.9	440.0	505.4	4.5
TOTAL	726.8	1 432.5	24.6	712.0	1 383.4	34.6

Notes:

(a) A number of donors isolated the trade component of each activity, whereas others reported the whole activity marking it trade-related. The total amounts of TRTA/CB in this category should therefore be interpreted with caution.

(b) The decrease is due to the periodicity of the programming cycle of Canada's bilateral TRTA/CB, and to the fact that many activities for 2002 were provided in kind and estimates in dollar value are not available. Preliminary figures for 2003 indicate a substantial increase.

(c) The *Agence Française de Développement* (AFD) did not provide data in 2001.

(d) The decrease of the total of Germany's commitments is due to a difference of methodology between 2001 and 2002: in 2001, Germany committed US\$ 81 million for development programmes with trade components; in 2002 this sum increased up to US\$ 105 million. However, trade-related amounts within broader programmes have been isolated only for 2002.

(e) Norway could not provide complete reporting for 2002. Totals for this year are thus only partial.

(f) Iceland did not provide data for 2001.

(g) Includes countries that did not report but funded activities implemented by international organisations or contributed to TRTA/CB trust funds.

(h) This decrease is due to the periodicity of the programming cycle of IDA loans: see the box "Guidance for data analysis" on page 4.

(i) Includes APEC, the Islamic Development Bank and various other agencies which funded activities reported by other multilaterals or which contributed to TRTA/CB Trust funds. The EBRD and the IBRD provide non-concessional loans; their commitments are thus not included in the table; the ESCWA could not provide amounts.

(j) The WTO could provide amounts for only 60% of its activities. The amounts in the table should therefore be taken as a minimum.

V. Highlights from the TRTA/CB Survey

Donors and implementing agencies were requested to provide information on strategies, delivery mechanisms, and institutional arrangements for TRTA/CB in order to complement the database reporting last year.¹⁴ In addition, this year donors and TRTA/CB implementing agencies were asked to submit TRTA/CB related case studies, evaluations and indicators. The main findings drawn from the donor submissions are summarised below, together with some lessons learned from evaluation efforts. A set of illustrative case studies are in Annex 1.

The survey submissions indicate that donors have become much more active in TRTA/CB over the last few years, in particular when compared to a DAC survey of bilateral donor activities in TRTA/CB conducted in 1997.¹⁵ The Doha Ministerial Meeting appears to have had a significant impact in this respect. This increased activity is reflected in enhanced awareness among donors of the importance of TRTA/CB for development and poverty reduction, the substantial strategic thinking currently underway among donors, strengthened dialogue with trade policy makers and experts, and increased funding for TRTA/CB. Some highlights from the survey submissions include:

- Many bilateral and multilateral donors, including Australia, Canada, Denmark, EC, France, Germany, New Zealand, Norway, Sweden, the UK, UNDP, UNIDO, and the US have prepared or are in the process of preparing strategy papers and programmes specifically for TRTA/CB (see end of Annex 1).
- Bilateral donors have scaled up their resources for both multilateral (trust funds etc) and bilateral activities (new bilateral programmes). There are also efforts underway to put more emphasis on trade in donors' bilateral country programme processes, but some donors emphasise that the outcome will depend on the priorities of the partner country.
- The aim of TRTA/CB is generally to promote greater participation of developing countries in the multilateral trading system and the world economy. Almost all bilateral donors place trade in the context of poverty reduction and economic development.
- Donors have a broad interpretation of TRTA/CB although there are variations in focus. The specific objectives of TRTA/CB range from participation in trade negotiations and implementing agreements, to supporting national institutions and enhancing productive capacity. Some donors emphasise the trade policy process and mainstreaming of trade into national development plans; others focus on private sector and SME development, investment-related assistance or promoting imports from developing countries.
- Multilateral agencies and programmes are the main TRTA/CB channels for many donors, though some, such as the EC, Canada, Japan, the UK and the US, also have substantial bilateral programmes. Some donors, e.g. France and Germany, have created new bilateral programmes for TRTA/CB since Doha.
- TRTA/CB usually involves a wide range of actors in donor capitals, such as the Ministry for Foreign Affairs, development agencies, line ministries and specialised agencies (e.g. customs and standards institute).

¹⁴ Summaries of countries' and multilateral organisations' submissions can be found in annex in the *First Joint WTO/OECD report on TRTA/CB* published last year and available on the database website. In all there were 24 responses to the survey.

¹⁵ DAC, 1997, *Survey of DAC members' co-operation for capacity development in trade*, DCD/DAC(97)24/REV2, Paris (www.oecd.org/dac/trade)

- Multilateral donors and implementing agencies such as ITC, UNCTAD, UNDP, UNIDO, World Bank, WTO, WIPO, WCO, FAO, AITIC, the Advisory Centre for WTO Law and a range of regional organisations and development banks are engaged both individually and jointly in TRTA/CB. The Integrated Framework and JITAP are two of the main multi-donor programmes [see Annex 2].
- There is limited information available on TRTA/CB related case studies, indicators, and evaluations from which to draw conclusions and define good practices. Based on the evaluations submitted, a number of lessons learned can be identified [see Box 1].
- Most TRTA/CB projects are evaluated as part of standard evaluation efforts, conducted by existing evaluation departments or programmes, using standard aid assessment tools and indicators such as scope, progress toward objectives, impact, sustainability, relevance and ownership. Some donors and implementing agencies are currently evaluating their *global* TRTA/CB programmes and approaches.
- Although few donors or implementing agencies have yet developed a specific set of indicators for TRTA/CB projects, some, like the EC and ITC, have reported that they are in the process of defining or testing quantitatively and qualitatively verifiable TRTA/CB indicators.

Box 1: Lessons learned from evaluation efforts

- There is a need for a *longer-term approach* to TRTA/CB and to developing capacities and institutions since most projects focus on short-term assistance. Hence, the necessity for:
 - *Long-term financing* (e.g. by increasing the contribution to the existing WTO budget).
 - *Sustainability* of the results of a project or programme.
- Prior to designing a project and setting outputs, there should be a clear and thorough *mapping and analysis of needs*, through a survey conducted amongst all relevant stakeholders.
- Genuine results require *strong ownership*. The initiative should rest with local stakeholders. In fact, it is recommended that local stakeholders take the lead and that donor or TA agencies' project managers just be facilitators and have an oversight role.
- *Lobbying* in the recipient country is sometimes necessary in order to reach results, as the government machinery sometimes moves slowly.
- *Acceptance of change* is needed amongst all stakeholders.
- An *integrated and comprehensive approach* to TRTA/CB is important. Each activity or project should be part of an integrated and cohesive programme.
- *Cooperation between all parties* involved is necessary and *efficient mechanisms of coordination* amongst donors and implementing agencies should be designed to avoid duplication.
- It is essential to deliver *methodological support and guidance* to field offices, usually staffed by development practitioners who are not familiar with the new and complex area of TRTA/CB.

Annex 1

TRTA/CB Projects or Programmes- Case Studies

This section attempts to give an overview of six different TRTA/CB projects or programmes, ranging from assistance in the development of a national trade policy and national standards compliant with WTO commitments to support in enhancing productive capacity and trade promotion on a national or regional level.

Box 2: China - Economic and Foreign Trade Training Project (EFTT) *Australia*

The Economic and Foreign Trade Training Project (AUD\$7.6 m), which ran from mid-1998 to mid-2003, was designed to complement the Chinese Government's goal of accession to the WTO and provide Chinese officials with long term, sustained capacity to manage integration into the multilateral trading system. The main strategies adopted were to provide general GATT/WTO education, develop the capacity of Chinese officials responsible for implementing trade agreements, instigate collaborative research projects between Australian and Chinese researchers and build capacity for continued training.

The project has provided various forms of training to over 1700 Chinese officials in liberalised foreign trade policies and procedures, including workshops, study visits, Graduate Diplomas, Masters degrees, research and policy studies programs. The project has also included training of Chinese trainers who themselves now act as a sustainable base for further extended training.

The EFTT project design includes a logical framework with a goal, six related purposes and associated indicators (see Table 1).

Table 1: EFTT Logical Framework and Completion Report Extracts

Goals/ Purposes	Indicators/Activities	Outputs/Outcomes at Completion
Goal: Increased appreciation of rights and obligations of WTO membership and increased awareness of benefits of open trading system.	<ul style="list-style-type: none"> Foreign trade practices improved. Measures to implement WTO agreements in place. 	<ul style="list-style-type: none"> WTO accession completed. Commercial demand for project material indicates awareness.
Example of a Purpose: Enhance the capability of the Ministry of Foreign Trade and Economic Cooperation to implement multilateral and bilateral trade agreements.	<ul style="list-style-type: none"> More policy staff with knowledge of new agreements. Trained staff implements innovations. 	<ul style="list-style-type: none"> 31 staff achieved high grades in Masters Program. 996 staff were trained and reported changed work practices.

Evaluations and Lessons Learned

All training activities were subject to evaluation by participants and by *independent* assessors. Project managers prepared Annual Plans based on a review of the previous year's progress.

The staff of the Australian Agency for International Development completed annual monitoring briefs, rating progress against quality attributes of *design, achievement, management* and *sustainability* and noting issues requiring attention.

Final Activity Monitoring Brief ratings were positive. The project managers prepared a completion report.

The findings of an independent Technical Advisory Group and mid-term review led to the relocation of management staff to China and to changed methods of selecting and conducting trade policy studies.

Box 3: Sri Lanka - Quality, Standardization and Metrology Project **UNIDO**

The Quality, Standardization and Metrology (QSM) Project, funded by Norway (US\$ 1.8 million) and UNIDO (US\$ 500,000), is one the nine projects included in the *Sri Lanka Integrated Industrial Development Support Programme*, which aims to develop the metrology, testing and ISO 14000 capacity in Sri Lanka.

The QSM Project set out expected outputs, against which progress was measured:

Expected outputs	Implementation	Outcomes
Establish a national strategy for QSM.	Analysis of needs for QSM through surveys.	The scope was reduced as a national policy for quality was already being developed.
Develop an Environmental Management System Certification Scheme compliant with international standards (ISO 14000).	Implementation of the ISO 14000 international standard through the delivery of training, auditing and consulting services.	A pilot programme for ISO 14000 has been launched. Twenty national auditors were trained and 10 pilot companies guided to develop an ISO 14000 scheme. The Sri Lanka Standards Institution's (SLSI) capacity to launch the national ISO 14000 certification scheme was developed.
Strengthen the metrology capability in the country for traceable international measurements and calibrations.	Support in laboratory design, equipment selection and installation, training and accreditation of a metrology laboratory.	A new industrial metrology laboratory compliant with the international standard was established.
Improve the planning, management, service and marketing capabilities of the standards and testing institutions and strengthen the Management Information System (MIS).	Procurement of office IT equipment. Market studies and marketing support. Business and corporate planning. Installation of a MIS.	The state sector institutions were converted into private sector-oriented and demand-driven facilities.
Establish accredited chemical testing laboratories.	The Programme supported the establishment of such laboratories, through laboratory design inputs, procurement of equipment, training of staff and advisory services regarding the establishment of a quality system. The Programme also granted assistance in international accreditation.	Two microbiology laboratories, two chemical laboratories and a textile testing laboratory were strengthened and internationally accredited by SWEDAC. The rubber testing laboratory is pending on accreditation. All the requisite garment testing is nowadays carried out in Sri Lanka and the tests are readily accepted by reputed EU garment buyers.
Establish accredited microbiology laboratories (for the agro-processing/fisheries sectors).		
Establish accredited textile and rubber testing laboratories (vital export sectors).		

Evaluation

The assessment, which was conducted by an external consultant, was carried out along the following indicators: *funding; scope; ownership; implementation; relevance; synergy; results*. The evaluation also included practical recommendations for the UNIDO programme manager.

The main lessons learned

- The Programme addressed key TBT/SPS related market access constraints.
- Prior to designing a project, a clear mapping and analysis of needs is required by conducting a survey.
- Lobbying in the recipient country is sometimes necessary in order to reach results, as the government machinery sometimes moves slowly.
- Governmental bodies involved should develop a more customer-focused and commercial approach.
- Acceptance of change amongst all stakeholders is needed.
- Genuine results require strong ownership by local institutions.

Box 4: South-South Trade Promotion Programme *ITC*¹⁶

The South-South Trade Promotion Programme is a transaction-oriented programme aimed at generating new trading opportunities among developing countries and economies in transition. It targets regional intergovernmental organizations, national governments and business entities and has four objectives:

1. Put into place data sets providing information on trading opportunities from a regional, and, selectively, interregional perspective;
2. To introduce tailor-made methodologies and customized tools for South-South trade promotion;
3. To generate new trade flows and trade-related business arrangements;
4. To institute specific strategies and programmes for South-South trade promotion, that could be implemented with or without ITC assistance.

The Programme offers a system of tools packaged in a 3-step sequence:

Tools	Outcomes in 2002
Computerized trade flow analysis, which identifies import-export opportunities among a group of countries.	Trade opportunities were methodically identified and quantified.
Supply and demand surveys on a product and country basis, through field research.	Counterparts undertook supply and demand surveys to capture the dynamics of the industry and to provide an effective business information tool for enterprises seeking import, export and other commercial opportunities in the region. There were 38 surveys undertaken, covering 5 sector groups.
Buyers-sellers meetings that confirm the identified opportunities in a "real life" situation.	Ten events were organized in Latin America, Central Asia, Africa and South and South-East Asia, and provided more than 550 SMEs with a platform for business negotiations. Each event had a specific product sector chosen according to regional demand. A number of participating enterprises negotiated strategic alliances to improve their global competitiveness.

The Programme also identifies follow-up action required at enterprise, institutional and governmental levels, to permit the generation of substantial trade flows in new directions.

Evaluation and Lessons learned

In 2002 an evaluation of the Programme was carried out by three independent consultants, covering the private sector, the public sector and the international community respectively. Their conclusions:

- While recognizing that the South-South Trade Promotion Programme was unique and effective and a highly relevant TRTA/CB 'product', the evaluation concluded that the very modest size of the Programme was not at all commensurate with the challenges and the needs.
- The present South-South trade promotion methodology has, over the years, proven its validity but methods to measure progress and achievements, although difficult to implement, will need to be further refined.
- The challenge is not so much to expand the Programme's reach but more to ensure its sustainable results. This was acknowledged in the ITC management response.

¹⁶ ITC is the only implementing agency exclusively performing TRTA activities.

Box 5: Central America – Trade Readiness Technical Assistance Project Canada

The Trade Readiness Technical Assistance Project (CA\$ 5M, funded by CIDA) was initially designed to complement Canada's Trade Agreement negotiations in this region, including a Free Trade Agreement with Costa Rica and another one with El Salvador, Honduras, Nicaragua and Guatemala.

This 4-year project (expected to terminate around September 2004) is conducted in partnership with the Centre for Trade Policy and Law (CTPL) and has three main components:

1. **Trade Policy and Trade Negotiation:** CTPL delivers regional and national seminars and workshops in Costa Rica, Panama, El Salvador, Honduras, Nicaragua and Guatemala. The training delivered covers subjects such as trade negotiations, formulation of trade policy, participation in the international trading system, trade remedies, Rules of Origin, etc. It also includes a six week Certificate program in Trade Policy and Commercial Diplomacy delivered at Carleton University in Ottawa.
2. **Trade Facilitation and Customs Administration:** Although administered by CTPL, it is actually delivered by the Canadian Customs and Revenue Agency (CCRA) to its counterpart organizations in Costa Rica, Panama, El Salvador, Honduras, Nicaragua and Guatemala (see below).
3. **Technical Assistance and Training** on themes such as Trade Policy, Public Awareness campaigns, Sanitary and Phytosanitary standards, Environmental and Labour side agreements.

The *Trade Facilitation and Customs Administration* segment has three sub-components:

Sub-Component	Format	Objectives	Outcomes
Training in the WTO-WCO Customs Diagnostic Methodologies	<ul style="list-style-type: none"> 12 day workshop held in-country. Complemented by up to 2 follow up missions held within 12 months of the workshop. 	<ul style="list-style-type: none"> To train a representative core of senior officials from the Customs administration in the WCO's organizational self-diagnosis process. On the basis of the self-diagnosis, to establish a <i>technical assistance plan</i>. 	<ul style="list-style-type: none"> The workshop has been held in all 6 participating countries. Follow-up missions have been carried out in Costa Rica, El Salvador, Guatemala, and Honduras.
Training in the WTO Customs Valuation Agreement (CVA)	30 day workshop in 3 modules		
	<i>Module 1:</i> Organizing the Infrastructure of the Valuation Program.	Develop a comprehensive blueprint or roadmap for implementation of the Valuation Program.	Delivered to El Salvador, Guatemala, and Honduras. Workshops are scheduled in Nicaragua and Costa Rica in June and July 2003.
	<i>Module 2:</i> Complexities of the Agreement	Be able to apply the rules of the CVA in the local context.	Delivered to Guatemala.
	<i>Module 3:</i> Post-Importation Environment	Be knowledgeable of the operational methods used to facilitate the administration of the CVA in a post-importation environment (e.g. conduct Post-Importation Verifications and Audits).	Not delivered yet.
Training on Risk Management in Customs Administration	12-day program at CCRA's facilities in Canada.	Be able to implement a Risk Management approach at the operational level.	Pending upon approval of the Project Steering Committee.

Box 6: Cambodia - Silk Weaving Project

EC

The Silk Weaving Project, launched in late 2001, is part of the *Support Programme for the Agriculture Sector in Cambodia* (PRASAC), a major EC programme, which was launched in 1995 (investments for the 1995-2003 period amount to 80 million EURO). The Project has been spawned by the Enterprise Development Unit, established within the framework of the PRASAC and whose aim is to assist the growth of small-scale enterprises with potential for sustainable job creation.

The Project aims to:

- Raise productivity and quality of silk hand weaving;
- Improve work organisation, through good private business practice and raising access to input markets;
- Strengthen the capacity of the local middleperson (often women);
- Promote marketing initiatives and exports.

The overall objective is to increase the incomes and numbers of those involved, and ensure a lucrative long-term base for their activity.

Main Outcomes

- Better equipment and better working practices of all kinds, including training, quality control principles, and clean workshops, have been introduced. This has led to higher productivity.
- Quality has improved, allowing higher prices to be charged. Together, these changes have already led to an increase in monthly earnings for weavers.
- Higher quality and production volumes have placed producers in a much better position to deal with large export orders. The pilot group alone was recently contracted to produce material to fulfil a US\$10,000 export order.
- A local trade association, the “Silk Forum”, has been set up to assist with marketing of silk products, both domestically and for exports. It has already produced a glossy catalogue for the common promotion of exports.

Box 7: Promoting Agricultural Sub-Sectors and Agribusiness in Mali

United States

This activity, funded at US 3.4 million in Fiscal Year 2003, provides technical assistance and training to agribusiness operators involved in the production and trade of agricultural products in the West Africa Region and on international markets. The program aims to train private sector services providers (consulting firms) in trade capacity-building, open new markets in West Africa (Guinea and Ghana) for Mali livestock exports, increase availability of finance for trade, and increase rural incomes.

The assistance includes market tests, new market development, training in business planning, facilitation of access to trade financing, transfer of processing technologies and methods, training in marketing techniques and internet use.

The principal outcomes include:

- Establishment of the West African Traders' Network.
- Improved market information, including access to food needs assessments for major cereals and livestock traders, updates on commodities market information, and updates on commodity contracts.
- Expanded regional trade, including exports of over 50,000 metric tons of cereals and the initiation of the export of 500 head of Malian cattle to Guinea.

Annex 2

Major Multilateral TRTA/CB Programmes and Approaches

Box 8: The Integrated Framework for Trade-Related Technical Assistance to Least-Developed Countries (IF)

Background

The Integrated Framework (IF) is an international initiative through which the IMF, ITC, UNCTAD, UNDP, the World Bank, WTO and bilateral donors combine their efforts to respond to the trade development needs of least-developed countries (LDCs). This integrated approach was launched in October 1997 at the High-Level Meeting on Trade Development for LDCs, organized by the WTO in recognition of the supply-side constraints facing LDCs.

Objective

The IF is a process, using existing channels, to ensure the integrated delivery of trade related technical assistance needs of LDCs in pursuit of the overall development goals of each country. It aims to:

1. ***Incorporate trade policy into the heart of the LDC's national development plans***, including components aimed at reducing poverty in the country;
2. Assist in the ***coordination and delivery of trade related assistance*** as provided by each of the core agencies in its specific field of competence and by other development partners.

Evaluation

An evaluation is currently being carried out and is due to be completed by September 2003.

<http://www.integratedframework.org/>

Box 9: The Joint Integrated Technical Assistance Programme (JITAP)

JITAP I

African Trade Ministers, meeting in October 1994 as the WTO's Uruguay Round was concluded, called on the international community to help them ***strengthen their capacity to participate in the WTO, integrate into the new Multilateral Trading System and enhance the capability of enterprises to export to new and existing markets***. Donors, along with the WTO, UNCTAD and ITC, set up a JITAP Common Trust Fund in March 1998 to provide trade capacity building to eight African country partners to the end of 2002.

The programme promotes consultation with and interaction amongst Government officials, academics, civil society, parliamentarians and media and encourages greater participation of women.

Evaluation

An evaluation of JITAP was carried out in early 2002. It concluded that JITAP was a high profile technical assistance programme that contributed greatly to the development of national capacities in the above-mentioned target areas in the eight countries involved.

JITAP II

Following the positive evaluation of JITAP, a second phase of the programme (JITAP II) was launched in early 2003. This new phase will strengthen capacity built under JITAP I and extend the programme from the original 8 countries to 16. The Programme has been designed to link up with needs arising from other TRTA/CB programmes in Africa, such as the New Partnership for Africa's Development (NEPAD), the Cotonou Agreement, and the IF in order to derive synergistic benefits.

<http://www.jitap.org/>

Annex 3

TRTA/CB Strategy Papers and Publications

A significant number of donor countries and implementing agencies have recently published policy and strategy papers specifically focusing on trade and development or TRTA/CB. Here are some examples:

- Australia: “*Trade, Development and Poverty Reduction*” (2002).
- Denmark: “*Trade and Development: Tackling Poverty*” (2003).
- EC: “*Trade and Development: Assisting Developing Countries to Benefit from Trade*” (Communication from the Commission to the Council and the European Parliament; released in September 2002).
- France: French Plan for Contributing to Trade Capacity Building (« *Programme pour le renforcement des capacités commerciales* » ; February 2002).
- New Zealand: “*Harnessing International Trade for Development*” (policy paper published in May 2003; a strategy for implementing the new policy is currently being formulated).
- Sweden: “*Trade and Development- A Coordinated Swedish Policy to Combat Poverty*” (policy paper; May 2002).
- UNIDO: “*Enabling Developing Countries to Participate in International Trade - Strengthening the Supply Capacity*” (March 2002).
- USA: “*Building Trade Capacity in the Developing World*” (March 2003).
- WTO: “*Coordinated WTO Secretariat Technical Assistance Plan 2003*” (November 2002).

Annex 4

TRTA/CB categories

A. TRADE POLICY AND REGULATIONS

TCBDB CODE	DESCRIPTION	Clarifications / Additional notes on coverage
33111	Trade mainstreaming in PRSPs/ development plans	Awareness raising; strengthening trade policy process; integrating trade in development and poverty reduction strategies.
33112	Technical barriers to trade (TBT) and sanitary and phytosanitary measures (SPS)	Technical regulations and product standards, (for example protection of human health or safety, or plant life and health, or the environment).
33121	Trade facilitation procedures	Simplification and harmonisation of international trade procedures (e.g. customs or licensing procedures, transport formalities, payments, insurance); support to customs departments.
33122	Customs valuation	Determination of the customs value of imported goods; elimination of arbitrary or fictitious customs values.
33123	Tariff reforms	Development of simple, transparent and low uniform tariff regimes that minimize discrimination between production for domestic or export markets, and between purchases of domestic and foreign goods
33130	Regional trade agreements (RTAs)	Support to regional trade arrangements (e.g. SADC, ASEAN, FTAA, ACP/EU); elaboration of rules of origin and introduction of special and differential treatment in RTAs.
33141	Accession	Identification of changes to laws, regulations and procedures necessary to complete negotiations on the terms of WTO membership; WTO awareness.
33142	Dispute settlement	Improved understanding of WTO rights and obligations; access to legal advisory services.
33143	Trade-related intellectual property rights (TRIPS)	Negotiations, and preparation of laws and regulations, on the protection and enforcement of copyright, trademarks, patents, industrial design, trade secrets; prevention of their abuse; strengthening of intellectual property offices.
33144	Agriculture	Implementation of the Agreement on Agriculture. Negotiations on liberalisation in agricultural markets; impact analysis.
33145	Services	Implementation of the Agreements on GATS. Negotiations on international trade in services; identification of markets; inventory of issues affecting trade in services.
33146	Tariff negotiations – non-agricultural market access	Implementation of the Agreement on contingent trade remedies. Negotiations on the reduction or elimination of tariffs, tariff peaks and tariff escalation on non-agricultural products.
33147	Rules	Negotiations and preparation of laws and regulations on anti-dumping, subsidies, countervailing measures and safeguards; clarification and improvement of disciplines on unfair trade practices; support to investigating authorities.
33148	Training in trade negotiation techniques	Specialised and customised programmes to train trade negotiators.
33151	Trade and environment	Capacity building on trade and environment, for example by increasing national policy coherence between trade and environment agencies.
33152	Trade and competition	Support for progressive reinforcement of competition institutions, strengthening antitrust laws and eliminating local monopolies.
33153	Trade and investment	Implications of closer multilateral co-operation in the area of trade and investment for development.
33154	Transparency and government procurement	Identification of negotiating options for transparency in government procurement; preparation of draft legislation; strengthening of government procurement agencies.
33181	Trade education/training	Human resources development in trade not included under any of the above codes. Includes university programmes in trade.

B. TRADE DEVELOPMENT

TCBDB CODE	DESCRIPTION		Clarifications / Additional notes on coverage
25011	Business support services and institutions		Support to trade and business associations, chambers of commerce; legal and regulatory reform aimed at improving business and investment climate; private sector institution capacity building and advice; trade information (sector unspecified).
25012	Public-private sector networking		Tools and mechanisms for improved dialogue and resource sharing between public and private sector (and within the private sector) at the national, regional and global levels, including trade fairs (sector unspecified).
25013	E-commerce		Promotion of information communication technologies for enhancing trade; training and provision of software and hardware to improve e-commerce capability.
240xx	Banking and finance	Trade finance	Access to trade finance; reform of financial systems, banking and securities markets to facilitate trade; laws and regulations that protect and promote trade-related investment.
311xx 312xx 313xx 321xx 322xx 33210 33300	Agriculture Forestry Fishing Industry Mining Tourism Services	Trade promotion strategy and implementation	Development of a national sector-level trade strategy; workforce development in export industries; implementation of sector-specific strategies in agriculture, forestry, fishing, industry, mining, tourism, and services including "fair trade programmes".
311xx 312xx 313xx 321xx 322xx 33210 33300	Agriculture Forestry Fishing Industry Mining Tourism Services	Market analysis and development	Access to market information; advice on standards, packaging, quality control, marketing and distribution channels in agriculture, forestry, fishing, industry, mining, tourism and services.

The Creditor Reporting System (CRS) uses 5-digit codes for most TRTA/CB categories. For trade finance, trade promotion strategy and implementation, and market analysis and development the first three digits refer to the main sectors (240 banking and financial services; 311 agriculture, 312 forestry, 313 fishing, 321 industry, 322 mineral resources and mining, 332 tourism and 333 services). The 'xx' refer to a range of more detailed codes for each activity (e.g. 31162 industrial/export crops, 31195 livestock/veterinary services). The detailed codes used for each activity are available via the database.

List of Abbreviations and Income Groups

ACP	African, Caribbean and Pacific countries
AITIC	Agency for International Trade Information and Co-operation
APEC	Asia-Pacific Economic Co-operation
AsDB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
CIDA	Canadian International Development Agency
CCRA	Canada Customs and Revenue Agency.
DAC	OECD Development Assistance Committee
DDAGTF	WTO Doha Development Agenda Global Trust Fund
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
ESCWA	United Nations Economic and Social Commission for West Asia
FAO	Food and Agriculture Organisation of the United Nations
IBRD	International Bank for Reconstruction and Development (World Bank)
IDA	International Development Association (World Bank)
IDB	Inter-American Development Bank
IF	Integrated Framework on Trade-Related Technical Assistance for Least Developed Countries
IFTF	Integrated Framework Trust Fund
IMF	International Monetary Fund
IsDB	Islamic Development Bank
ITC	International Trade Centre UNCTAD/WTO
JITAP	Joint Integrated Technical Assistance Programme to Selected Least Developed and other African Countries
OECD	Organisation for Economic Co-operation and Development
PRSP	Poverty Reduction Strategy Papers
SADC	Southern African Development Community
SME	Small and Medium Sized Enterprises
SPS	Sanitary and Phytosanitary measures
SWEDAC	Swedish Board for Accreditation and Conformity Assessment
TBT	Technical Barriers to Trade
TCBDB	Trade Capacity Building Database
TRTA/CB	Trade Related Technical Assistance and Capacity Building
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNIDO	United Nations Industrial Development Organisation
WCO	World Customs Organisation
WIPO	World Intellectual Property Organisation
WTO	World Trade Organization

INCOME GROUPS, for 2001 and 2002 flows¹⁷:

- LDCs: Least Developed Countries - group of 49 countries established by the United Nations. To be classified as an LDC, countries must fall below thresholds established for income, economic diversification and social development.

- OLICs: Other Low Income Countries, include all non-LDC with per capita GNI below US\$ 760 in 1998 (World Bank Atlas basis).

- LMICs: Lower Middle Income Countries, include all countries with per capita GNI between US\$ 761 and US\$ 3030 in 1998.

- UMICs: Upper Middle Income Countries, include all countries with per capita GNI between US\$ 3031 and US\$ 9360 in 1998.

- HICs: High Income Countries, include developing countries with per capita GNI above US\$ 9360 in 1998.

- CEECs/NIS (part II): Central and Eastern European Countries / New Independent States (of the former Soviet Union) – excluding those considered as developing countries.

- MADCTs: More Advanced Developing Countries and Territories.

In Chart 2, “European countries in transition” include CEECs/NIS part II and “High income developing countries” include UMICs, HICs and MADCTs.

¹⁷ Analysis in this report is based on income groups as at 1st January 2001.

See <http://www.oecd.org/dac/stats> “List of Aid Recipients” for the detailed list of income groups and all related information.