

# **AIDFORTRADE** 2011:

RESULTS EMERGING FROM THE CASE STORIES



WORLD TRADE  
ORGANIZATION



BETTER POLICIES FOR BETTER LIVES

# **AIDFORTRADE** 2011:

## RESULTS EMERGING FROM THE CASE STORIES

## **ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT**

The OECD is a unique forum where the governments of 34 democracies work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The Commission of the European Communities takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

## **WORLD TRADE ORGANIZATION**

The World Trade Organization came into being in 1995, as the successor to the General Agreement on Tariffs and Trade (GATT), which had been established (1947) in the wake of the Second World War. The WTO's main objective is the establishment of rules for Members' trade policy which help international trade to expand with a view to raising living standards. These rules foster non-discrimination, transparency and predictability in the conduct of trade policy. The WTO is pursuing this objective by:

- Administering trade agreements,
- Acting as a forum for trade negotiations,
- Settling trade disputes,
- Reviewing national trade policies,
- Assisting developing countries in trade policy issues, through technical assistance and training programmes.
- Cooperating with other international organizations.

The WTO has 153 Members, accounting for more than 90% of world trade. Members are mostly governments but can also be customs territories. Another 29 countries are negotiating to become Members of the WTO. Decisions in the WTO are made by the entire membership, typically by consensus.

The opinions expressed and arguments employed herein do not necessarily reflect the official views of the Organisation for Economic Co-operation and Development or of the governments of its member countries or those of the World Trade Organization or its members.

# TABLE OF CONTENTS

THE CALL FOR CASE STORIES... AND THE RESPONSE	5	<b>AT A GLANCE TABLES</b>	
CORRIDOR PROJECTS AND EFFORTS TO SPEED BORDER CROSSINGS	11	Aid for Trade Facilitation: Results at a Glance	12
INVESTING IN INFRASTRUCTURE TO SPUR TRADE	13	Aid for Infrastructure: Results at a Glance	15
IMPROVING POLICY TO PROMOTE TRADE	16	Improving Policy: Results at a Glance	18
BUILDING CAPACITY AND IMPROVING COORDINATION TO ENHANCE TRADE	19	Aid for Pro-active Industry-specific Policies: Results at a Glance	26
UNDERTAKING PRO-ACTIVE INDUSTRY-SPECIFIC POLICIES	24	Leveraging the Private Sector: Results at a Glance	31
LEVERAGING THE PRIVATE SECTOR TO PROMOTE EXPORTS: FINANCE, EXPORT PROMOTION AND SKILL UP-GRADING	29	South-South Aid for Trade at a Glance	35
LESSONS DETERMINING EFFECTIVENESS	32	<b>TABLES</b>	
CONCLUSIONS: WHAT IS WORKING?	35	Table 1. Most stories come from sub-Saharan Africa	8
REFERENCES	45	Table 2. ...and emanate from recipient countries	8
ANNEXES		Table 3. The most recurring lesson is to enhance national ownership	33
A. METHODOLOGY FOR CLASSIFYING CASE STUDIES	51	Table 4. Case stories with Quantitative Indicators of Results	38
B. DISCERNING EMPHASIS: METHODOLOGY FOR CONCEPT COUNTS	53	<b>BOXES</b>	
C. INDEX OF CASE STORIES BY CASE STORY REFERENCE NUMBER	55	Box 1. Generalisations should be taken with a grain of salt...including this one	7
		<b>FIGURES</b>	
		Figure 1. How intervening causal variables may enter to affect stages positively or negatively	7
		Figure 2. Though countries differ, improvements in infrastructure often have the highest pay-offs in export growth...	36



# RESULTS EMERGING FROM THE CASE STORIES<sup>1</sup>

## THE CALL FOR CASE STORIES...AND THE RESPONSE

### Introduction

In July 2010, the Secretary-General of the OECD and the Director General of the WTO jointly put out a call for “case stories” on aid for trade. The purpose was to probe more deeply into objectives, challenges, and processes so as to better understand results of trade-related assistance – particularly, what was working in the provision of aid for trade, what were the key ingredients of success, and what could governments and practitioners learn from experience. In the months since the call went out, the WTO and OECD received an outpouring of 269 case stories – a figure that greatly exceeded expectations.

### Aid for trade takes many forms

The original call by design provided only a general outline, so the collection of case stories proved to be abundantly heterogeneous. Some stories, for example, recounted government efforts to foster private sector development [Kenya, 17; Ghana, 65].<sup>2</sup> Others recounted in detail policy efforts to improve the exports of one or another crops [Africa 37; Cameroon, 19; Caribbean 23]. Yet others concerned efforts at the global level to conduct research or prepare policy guides, say about women in trade [Global, 52]. This diversity of response serves to underscore the fact that aid for trade takes many forms.

The case stories were no less diverse in country of implementation or origin of authorship. The collection contains tales of aid for trade affecting more than 150 countries – from the smallest states, such as Lesotho, Solomon Islands, and Comoros, to the largest, such as China and India - and from all major developing regions. Some had detailed information – dates of commencement and completion, donors’ involvement, amounts invested, and associated results – while others had only a smattering of quantitative information. Collectively, the stories reveal in rich detail the efforts governments and the international community are making to promote trade. This chapter presents an overview of these stories organised around six themes that emerge from the collection, points to some common lessons, and then ventures some conclusions about what works.

By way of preface, it should be noted that the case stories were not meant to be a scientific approach to evaluation. The sample is likely to be unrepresentative because it reflects selection bias, and conclusions have to be drawn with care because of omitted variables and attribution problems<sup>3</sup> (see Box 1). Nonetheless, stories offer some attractions at the outset of an effort to assess the results from aid for trade. Stories start from the “nitty gritty” of the real world. As such, they can convey nuance and narratives not easily captured in other methodologies with a higher level of abstraction. Stories can capture idiosyncrasies (to use the term of Easterly and Reshef<sup>4</sup> in their recent study of African export successes); the critical variables affecting any given story are not limited to those analysts normally include in the cross-country regressions. One prospective advantage of a collection of stories is that what may appear as project-specific determinants of success or failure in the case of one development activity may, when juxtaposed with other activities, reveal patterns that could form the basis of new hypotheses for researchers and practitioners to test.

## Six themes

The 269 stories recount aid for trade efforts that tend to fall into one of six broad themes:

- Lowering trade costs through *trade facilitation* programmes;
- Investing in *infrastructure* to lower the cost of inputs and services (including in sub-regions);
- *Reforming policy* to revamp incentives, support adjustment, enhance strategy, and adopt international standards;
- *Building capacities* within governments to better conduct trade policy, negotiate trade agreements, and implement trade-related rules and laws;
- Undertaking *proactive industry-specific* policies to promote trade within a particular sector; and
- Leveraging the *private sector* through trade finance, export promotion, and skill-up-grading for SMEs and women traders.

While analysts could certainly “cut the cake differently” with other categories, these six themes tie into a larger body of literature on aid for trade and are readily interpreted through the lens of the WTO’s Aid for Trade Taskforce.<sup>5</sup> These categories also have the advantage of corresponding broadly to instruments in the donor arsenals – grants, investment loans and credits, budget support loans, and in-kind services (e.g. technical assistance and studies) as well as equity investments through the private sectors arms of the multilateral institutions. It should be noted that these six themes, though conceptually clear by construction, have in practice relatively subjective boundaries, and this, together with the fact that many cases stories may have elements common to more than one theme, makes the placement in one or another theme somewhat arbitrary. For example, a story might recount aid to a developing country’s efforts to develop on a particular product for purposes of diversification (theme 5) that is produced primarily by women farmers (theme 6). In the analysis that follows, attention is drawn to several cross-cutting sub-themes.

These caveats notwithstanding, case stories are spread roughly proportionately across these six themes (Table 1). The largest number of case stories appears in the building capacity and private sector categories while trade facilitation, improving policy and industrial policy had relatively very similar allocations. The under-representation of case stories in infrastructure is remarkable – since infrastructure receives by far the largest amount of aid for trade. This may reflect the fact that Ministries of Trade, and their counterparts in the trade departments of donors agencies, were more often the respondents to the call for case stories, and infrastructure, important as it is for trade, rarely falls in their purview.

The region with the greatest representation is Sub-Saharan Africa, as expected; the region accounts for about 40 percent of the total stories. The surprise was the relative over-representation of Latin America, with more than one-quarter of the case stories; this was unexpected because, in the strictest (OECD/WTO) definition of aid for trade as concessional resources only, Latin America receives little concessional aid. In fact, this draws attention to the larger concept of aid for trade that the trade community often uses in practice – namely, trade-related development assistance of whatever form to middle-income and low-income countries alike.

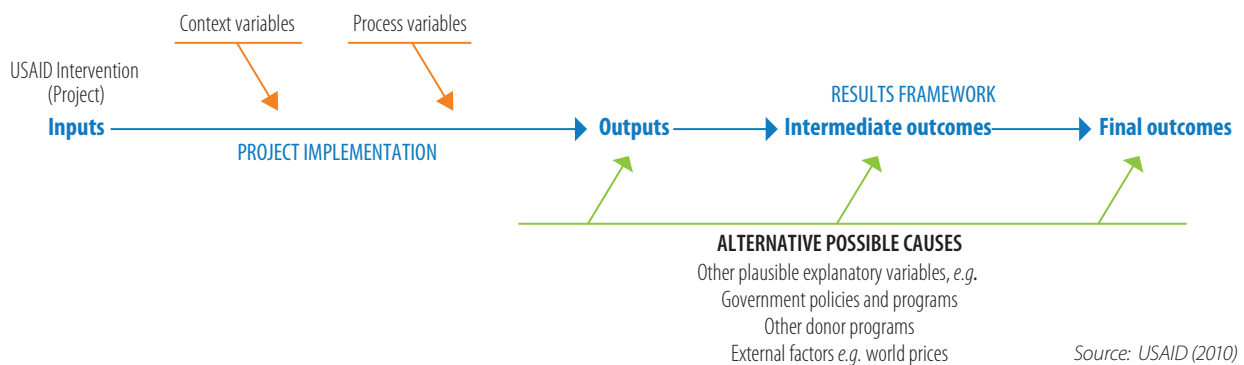
The call for case stories evinced examples of aid for trade from several sources. A heartening response came from recipient countries – nearly 40 percent (Table 2). Bilateral donors, providers of South-south cooperation and UN organizations and were also large contributors. The multilateral development banks – perhaps because they have a smaller number of total projects even though they are among the larger providers of aid for trade – appear to be under-represented. Private parties and NGOs also submitted very few case stories.

### Box 1. Generalisations should be taken with a grain of salt...including this one

Any conclusion from the collection of case stories must be tempered by an awareness of its limitations. First, the stories are written by the participants – governments, donors, or consultants working in the project – and this introduces two *selection biases*: respondents are less likely to report on failed projects because no one wants to advertise their mistakes; moreover, self-evaluations are likely to be somewhat more forgiving and less objective than outside evaluations of any given project. Indeed, nearly all stories reported some form of success, if with some noteworthy qualification (see, for example, Ethiopia, 190 Mauritius, 81, and Fiji, 196). Second, the intentional call for heterogeneity – a virtue if the exercise is intended to elicit broad participation – is also a vice insofar as it renders comparisons unsystematic. Without guidance on content, individual authors may *omit variables* that later turn out to be critical in explaining outcomes when viewed in comparison with other stories. Third, the level of *abstraction* from a particular intended outcome differs widely, from global stories to project-specific stories. Both present difficulties in evaluating *attribution*. Global stories – such as the writing of a policy guide or a research project are often too distant from uses and outcomes to draw conclusions about effects on trade, poverty reduction, or other performance variables. At the other end of the spectrum, drawing conclusions from specific projects requires – in the words of SIDA’s (2009) evaluation -- walking back through a “results chain” of

logic from project results to desired economic performance. For example, greater trade policy coordination is intended to produce better trade policies, implying greater export performance, economic growth, and poverty reduction. At any point in this chain, other – perhaps more powerful – intervening causal variables may enter to affect the next stage positively or negatively, complicating the *attribution* of outcomes to the project intervention (see Figure 1). For example, in Lesotho, a World Bank project to up-grade labour skills succeeded in training some 625 workers (491 of which were women) and even though the programme enjoyed a 75% placement rate, the collapse of the global economy in 2009 undercut exports and slashed incomes [Lesotho, 127]. The same happened in the Solo Raya region in Indonesia, where even with a successful value-chain promotion project underway, the rattan furniture industry saw export value drop 25% and employment fall by 15% between 2007 and 2009 [Indonesia, 185]. In general, the farther away is the project from the performance result, the more tenuous is the attribution to performance outcomes. Finally, the case stories rarely speculate about what would have happened in the absence of the project – the *counterfactual*. Only through carefully constructed (and costly) impact evaluations – wherein project results are compared with control groups in randomly selected similar situations -- can evaluations adequately take into account counterfactuals.

Figure 1



Source: See *Strengthening Accountability in Aid for Trade* (OECD 2011), for evaluating aid for trade, and Banerjee and Duflo, 2011, for a more comprehensive discussion of evaluating development projects and programmes.



**Table 1. Most stories come from sub-Saharan Africa**

Region	Trade facilitation	Infrastructure	Improving policy	Building capacity	Industrial policy	Private sector	Total
North Africa	0	1	2	0	0	2	5
Sub-Saharan Africa	24	6	17	22	19	21	109
North America and Caribbean	10	1	9	11	12	10	53
South America	3	0	3	4	4	3	17
Europe	1	1	0	0	0	3	5
East Asia and Oceania	4	2	4	11	10	5	36
Middle East and Asia	4	2	5	5	2	2	20
Global	2	1	2	13	0	6	24
<b>TOTAL</b>	<b>48</b>	<b>14</b>	<b>42</b>	<b>66</b>	<b>47</b>	<b>52</b>	<b>269</b>

**Table 2. ...and emanate from recipient countries**

Region Author	Recipient government <sup>a</sup>	Donor government	United Nations <sup>b</sup>	Multilateral development banks	Private sector <sup>c</sup>	Total
North Africa	0	1	3	1	0	5
Sub-Saharan Africa	44	30	22	6	7	109
North America and Caribbean	30	12	5	4	2	53
South America	8	4	3	1	1	17
Europe	1	1	1	2	0	5
East Asia and Oceania	12	16	0	7	1	36
Middle East and Asia	9	2	6	5	0	20
Global	3	5	14	1	1	24
<b>TOTAL</b>	<b>107</b>	<b>71</b>	<b>54</b>	<b>25</b>	<b>12</b>	<b>269</b>

*a* Includes stories from regional economic communities and organisations

*b* Includes other international organisations

*c* Includes NGOs and un-affiliated authors

Source: OECD/WTO Case Story Database

## LOWERING TRADE COSTS: TRADE FACILITATION

Reducing delays at the border and in transit can have a dramatic effect on reducing costs of imported inputs and exports – and therefore improving competitiveness (Engman, 2005). In 2006, it took, on average 116 days to move an export container from the factory in Bangui (Central African Republic) to the nearest port and fulfil all the customs, administrative, and port requirements to load the cargo onto a ship. As Djankov, *et al.* (2010) point out, it took 71 days to do so from Ouagadougou in Burkina Faso, 87 days from N'djamena Chad, 93 from Almaty Kazakhstan, and 105 from Baghdad, Iraq. This was in stark contrast to the 5 days it took from Copenhagen, 6 days from Berlin, 16 days from Port Louis (Mauritius), 20 days from Shanghai, Kuala Lumpur or Santiago de Chile.

And time is money. Hummels (2001) calculated that a one day delay on average drives up costs by about 0.8 percent around the world. Building on this work and based on a study of 126 countries using a gravity model, Djankov, *et al.* (2010), found that each day of in transit had the effect of reducing trade volumes on average by slightly more than 1 percent. They were able to capture the effects of administrative delays by using the proxy of number of signatures required to export or import. These delays had the equivalent effect of adding 70 kilometres to the distance between the plant and final market. The situation was graver for exporters of perishable products because delays increased wastage. For exporters of these perishable agricultural products, delays reduced exports on average by 6 percent for every additional day. Hoekman and Nicita (2010, 2011) have estimated that efforts to facilitate trade by improving average logistics and trade facilitation performance of low-income countries – as measured by the World Bank's Logistics Performance Index and Doing Business 'cost of trading' indicator– to middle-income country levels would increase trade by 15 percent, double what would be achieved as a result of convergence to middle income average levels of import tariffs.

The majority of econometric empirical studies on the topic of trade facilitation conclude that improvements in trade facilitation measures are associated with increases in trade flows. This is because reforming customs to increase efficiency, reducing transactions at the border, eliminating bureaucratic interventions that create opportunity for corruption, and adopting procedures to speed goods across borders can lower trade costs for importers and exporters. Helble, *et al.* (2009) undertake an analysis, using gravity estimates from cross-country regressions – and focus on the association with aid for trade.

They examine the effects of trade development assistance (productive capacity building), trade policy assistance, and infrastructure assistance on bilateral trade flows. Aid for trade targeted at trade policy and regulatory reform projects produces a high rate of return.

Portugal and Wilson (2008) applied a variant of this same methodology to an analysis of African trade performance. Trade costs are higher in Africa than in other regions. Using gravity-model estimates, the authors compute ad valorem equivalents of improvements in trade indicators. They conclude that the evidence suggests that the gains for African exporters from cutting trade costs half-way to the level of Mauritius has a greater effect on trade flows than a substantive cut in tariff barriers. Similarly, improving logistics in Ethiopia so that its costs of trading a container of goods were cut halfway to the level of Mauritius' costs would be roughly equivalent to a 7.6 percent cut in tariffs faced by Ethiopian exporters in all its foreign markets.

The 48 case stories categorized under the trade facilitation theme reveal a large quantity of diverse efforts to lowering the cost of trading across borders. These take several forms: (i) integrated trade facilitation programmes spanning strategy and investments, sometime with a regional focus; (ii) customs and logistics reform efforts; and (iii) corridor-focused programmes.

### Integrated trade facilitation programmes

Some projects combined investments in infrastructure and accelerated customs procedures in efforts linked to regional integration programmes. The Mesoamerica Project, for example, sought to improve the ease with which goods moved in Central America. The project, begun in 2008 in its current form with InterAmerican Development Bank, entailed investments in road infrastructure that by 2015 is projected to cut average freight travel time from 8 days to 2.25 days; accelerated customs procedures aimed at reducing average border crossing time from 60 minutes to 8; improved power grid infrastructure so as to create a regional grid, implying savings in generating costs of 20 percent; and investment in telecommunications service integration. The project is still in execution and so has modest accomplishments to date – survey work on quality of roads, initial planning for implementation of key measures, and 90 percent completion of the backbone fiber optic cable for the region – and, while progress is generally on schedule, it is clear that continued high-level official involvement will be necessary to ensure the timely completion of the project [Latin America, 120].

Mexico offers an example of linking the export side of trade facilitation with more efficient import procedures and improvements in domestic business regulations. A central component of its “National Agenda for Competitiveness” focused in importing more efficiently by reducing and simplifying tariffs. Between 2008 and 2010, Mexico unilaterally reduced its average industrial tariffs from 10.4 percent to 5.3 percent. By 2013 it expects to have 63 percent of its tariff lines duty free and drop the average further to 4.3 percent. All of these changes allowed Mexico to move from 74 to number 22 in the World Economic Forum rankings for market access. At the same time, the trade-distorting variance will drop by a quarter in standard deviation from 9.0 percent to 6.6 percent by 2013. On the export side, the government eliminated several requirements and established an electronic window to promote easy access to required filings. In addition, the government adopted procedures to accelerate business registrations based on an electronic application. It also conducted a “Base 0” regulatory review and eliminated 12 234 internal regulations and 1 358 bureaucratic steps for businesses. The combination of regulatory improvements was projected to save Mexican businesses and citizens USD 3.9 billion over a six year period [Mexico, 114].

Other programmes also adopted integrated programmes to promote trade across borders. The Lao PDR had organised a comprehensive programme under the auspices of the Trade Development Facility and the Enhanced Integrated Framework, with the help the AusAID, the World Bank, Swiss Government and the EU. This has resulted in coherent action plans in four subsectors to promote trade. It has also contributed to training of more than 1 000 officials and the publication of Lao Trade Research Digest [Lao, 155]. In the Caribbean, CARICOM established, with DFID support, the CARTFund programme to spur Caribbean integration and implement EPA-inspired reforms. Established in 2009, it is still early days, but demand within the regions appears to be outstripping supply [Caribbean, 25; Caribbean 153]. Similarly Nigeria’s “Strategic Trade Facilitation Action Plan” has succeeded in creating a forum with stakeholders to discuss deepening regional integration in ECOWAS and efforts to “embrace accelerated trade liberalisation at our own pace” [Nigeria, 7]. The Regional Strategy for UEMOA also entailed a wide range of activities to promote trade, ranging from border crossings and customs procedures, to harmonization of tax policies and investments in capacity building [West Africa, 266]. Surinam’s *Improving Trade Facilitation Environment* project brings together efforts to expand the main port and cargo handling area, customs improvements through risk management, and identification of future infrastructure investments and further

institutional improvements (including installation of ASYCUDA World) – and an important achievement work to date, aside from reducing time to trade, has been to raise awareness of the importance of reducing the costs of trading [Suriname, 94].

### Customs reform and logistics management projects

More than a dozen case stories told of government efforts to improve customs and logistics. These included, for example, programmes in Africa [15], Central America [122], Ecuador [43], Ethiopia [166], Haiti [246], Macedonia [189], Mongolia [260], Montserrat [5], Mongolia [6], Suriname [94], Tunisia [130], and Uganda [239]. In Southern Africa, for example, SADC is sponsoring the reform of a region-wide tariff system and customs administration as it endeavours to move toward a full customs union. The project includes work on the legal and institutional framework, the common external tariff, a three year training strategy to build capacity, and the organization of Business Partnership Forums. These efforts, sponsored by the European Union, are still in their first phases [Southern Africa, 15].

Cameroon launched major customs reforms in 2007 and 2010, with the support of the World Customs Organization, the French Development Agency and the World Bank. The customs agency, responsible for a large share of total revenues, adopted in 2008 a series of quantified indicators as part of a reform that later introduced performance contracts. This provided for monthly reviews of some 30 indicators of 11 customs offices around the country; these included indicators of imports, performance of customs officers (mostly in terms of processing delays), efforts to monitor “officers at risk”, and efforts to monitor enforcement for purposes of controlling corruption. To ensure follow-up, a second round of indicators discussed with customs officials to win their allegiance was based on introducing performance contracts – measured in terms of quantified indicators of efficiency – and these were formally adopted in 2010. The results were dramatic: the time between a broker’s registration and officer’s assessment fell by 75 percent on average in two offices as compared with only 38 percent in a “control group” office; the amount of declarations processed rose by 20-30 percent; time savings averaged 10-14 hours; and revenues per container actually increased 11.7 percent in 2010 as compared with 2009. These performance data and others formed part of the evaluation of inspectors’ annual performance and have contributed to the promotion of good officers and the transfer out of others [Cameroon, 164]. In Burundi, tax-revenues were also increased after the implementation of the Burundi Revenue Office<sup>6</sup>: comparing the same period in 2009 to 2010, tax revenues increased 25% [Burundi, 211].

Another project that has reportedly born fruit is Tunisia's export development project undertaken with the support of the World Bank. The USD 50 million project created a market access fund, a pre-shipment export finance guarantee facility, improvement in logistics managements, and a customs procedures projects. The market access fund offers co-financing for firms and professional associations to spur investment in market research, finances acquisition of equipment, and sponsors workshops as well as provides matching capital for selected projects. The customs and logistics components were estimated to reduce the average stay for cargo by about two-thirds – from an average of 10.1 days in 2003-2004 to 3.3 days in April 2010. The project also contained provisions to improve standards and intellectual property rules to be in conformity with WTO requirements. All in all, by May 2010, the project had reportedly increased exports by more than USD 400 million, more than one third of which came from new exporters and new destinations. The case story suggested employment increases associated with the project amounted to some 50,000 full time jobs for the firms involved, with a similar amount in part-time employment [Tunisia, 130].

### **CORRIDOR PROJECTS AND EFFORTS TO SPEED BORDER CROSSINGS**

Programmes that conceive trade facilitation not merely at borders but all along corridors are increasingly common. They often integrate several facets of trade. For example, the Greater Mekong Sub-region undertook an effort to enhance trade through the judicious construction of bridges and roads in combination with a Cross Border Transport Agreement (CBTA). One of the objectives was to promote foreign investment. Although politically complicated, the project eventually completed the bridge in 2006 and led Vietnam Lao, and Thailand to reach an agreement that each country could license 500 trucks to operate along the newly consecrated East-West corridor, without restrictive cabotage provisions. The savings and reduction of transshipment time and transport costs are expected to have a major impact on regional development [Southeast Asia, 163].

Improving the North-South Corridor in Africa has been a priority of several governments and donors. Three separate stories recount the progress made at the Chirundu Border Post [Zimbabwe, 107; Zambia, 171; Southern Africa, 140]. The journey across the corridor used to entail "one-third driving and two thirds waiting" [Southern Africa, 140]. The DFID-sponsored project helped governments in the region set up a one-stop border post that expedited movement through a common control zone, improved efficiencies through office locations and

work flow procedures, and provided equipment to undertake pre-clearance of persons, vehicles and goods. The COMESA Secretariat provided the institutional home and project offices, and the Ministries of Trade and Commerce provided essential political and policy leadership – vital because the project required legal reforms, redesigning and revamping procedures on both sides of the border, new infrastructure, and ICT. Partner donors provided resources for critical components, including the Japanese Government, DFID and the World Bank. The benefits were tangible: clearance times for buses and autos have been reduced by one half; commercial trucks that used to take 5 days to clear are now routinely cleared in less than 24 hours, and those in the fast lane are cleared in under 5 hours. This has had positive spin-off benefits as well. Rapid, automated and standardized clearance procedures have reduced illicit payments required to some of the multiple agencies previously in charge of clearance procedures. No less important, with the reductions in days of waiting time at the border, project managers expect a decline in the sex trade; and, though no studies have yet been done, the number of sexually transmitted diseases, such as HIV-AIDS, is expected to fall at the border.

The East Africa Trade and Transport Facilitation Project is intended to stimulate trade within the East African Community. This USD 260 million World Bank-funded project, in coordination with other companion projects of the EU, the African Development Bank, JICA, and DFID, is designed to improve the traffic flow through the Northern Corridor, linking the Kenyan port of Mombasa through Nairobi to Kampala, Uganda, Kigali, Rwanda and the DRC, with another to South Sudan. Investments in more efficient border procedures have reduced delays from three days to three hours. Transit times from Mombasa to Kampala have dropped from 15 days to 5 days. Average dwell times in the Mombasa port have fallen from 19 to 13 days. This means the average truck can make three trips per month rather than the previous 1.5 trips – so truck utilisation can rise and costs can fall. Since this also means that export crops like tea, stay loaded on the trucks for a shorter duration, financing costs fall correspondingly. These savings translate into higher incomes for farmers through earnings on a greater volume of exports [East Africa, 129].

In spite of the compelling logic of one-stop border posts, these projects are far more difficult to orchestrate and implement than the simplicity of their name would suggest. As shown implicitly above, these require complex political, procedural, and institutional changes that often threaten those interest groups profiting from the status quo. Moreover, they usually require inter governmental coordination that is politically

AID FOR TRADE FACILITATION: RESULTS AT A GLANCE	
<b>Burundi</b>	Tax-revenue increased 25% from 2009 to 2010 after the Burundi Revenue Office was implemented [Burundi, 211].
<b>Cameroon</b>	Custom reform increased revenue by 12%; number of declarations assessed by officials in a day increased by 130% [Cameroon, 164].
<b>Colombia</b>	The administrative procedure for certifying origin cut time required to an average of 10 minutes, down from 2-3 days [Colombia, 226].
<b>East Africa</b>	Average transit times in the Northern Transport corridor decreased from 3 days to 3 hours; dwell time at the Port of Mombasa went from 19 to 13 days; transit time along the Mombasa-Nairobi-Kampala section dropped from 15 to 5 days [East Africa, 129].
<b>Ethiopia</b>	Custom reform increased import transactions by about 190% and export transactions by 200%; custom revenues increased 51% [Ethiopia, 166].
<b>Ghana</b>	The development of clusters in free trade zones led to a doubling of exports emanating from them from 2006 to 2008 [Ghana, 128].
<b>Haiti</b>	Custom clearing-time halved to 2 days for green declarations [Haiti, 246].
<b>Kyrgyzstan and Tajikistan</b>	60% drop in number of forms to be filled for foreign trade [Kyrgyzstan, 186].
<b>Mexico</b>	The time needed to register a new business went from 34 days to 2.5 hours; eliminating double certification costs USD 213million were saved [Mexico, 114]
<b>Mongolia</b>	Data processing modernization reduced imports clearing time from more than 3 hours to 3 minutes, and exports clearing time from over 2 hours to 13 minutes on average [Mongolia, 260].
<b>Mozambique</b>	Border clearing time for goods went from as long as 30 days to about 2-5 days [Africa, 175].
<b>South America</b>	10,000 businesses were able to export for the first time thanks to slashing the number of forms required to export parcels under 30kg and worth less than USD 50,000 [South America, 16].
<b>Vietnam- Lao-Thailand</b>	Transshipment requirements were eliminated for 500 trucks now licensed to cross the Southeast corridor [East Asia, 163].
<b>Zambia-Zimbabwe</b>	Border clearing time for commercial trucks went from 5 days to 1-2 days, and for passenger coaches from 2 hours to 1 hour [Zimbabwe, 107].

Source: Selected subsample of results taken from OECD/WTO case story data base

taxing because they involve multiple levels of public sector involvement on both sides of the border. The challenges confronting efforts to improve the Beitbridge Border Post separating South Africa from Zimbabwe highlight the need for effective and high-level intergovernmental coordination; even the signing of MOUs were delayed and conflated with other problems that are only now being resolved to get the project up and running effectively [Southern Africa, 267]. These difficulties are magnified when working at the sub-regional level and across many countries – evident in the start-up issues that the COMESA-EAC-SADC tripartite trade facilitation effort is mounting in East and Southern Africa [Africa, 145].

The ECOWAS Commission and USAID West Africa Trade Hub submitted a case story on the ECOWAS Trade Liberalization Scheme (ETLS) which sought to determine where problems are arising in national implementation of the regional protocols. Visa-free movement of persons has been a success, but much less progress has been made in free movement of goods and transport. Difficulties cited include incompatible national legislation, differing vehicle standards, varying inspection requirements and divergent axle load limits. The result is a complex web of conflicting national rules that makes compliance impossible; this situation creates opportunities for “irregular practices”. The case story also highlights that companies which benefit from informal trade barriers (such as continuing tariff restrictions or non-tariff measures such as seasonal bans) and agencies that collect revenue (both formal and informal) may not favour ETLS implementation. Quarterly surveys conducted by the *Observatoire des Pratiques Anormales* of restrictions reported to them by private sector operators highlight the negative impact which these irregular practices have on trade in the West African region [West Africa, 42].

Finally, two case stories report on studies that use cross-country data and econometrics to ferret out the general relationships between aid for trade and lowering of trade costs, controlling for other factors. UNECA reported on forthcoming work of Stephen Karingi and V. Leyaro that showed an increase in aid for trade was associated both with greater export diversification and lower transportation costs [Africa, 104]. Similarly, the Commonwealth Secretariat reported on studies that show the effects of aid for trade have been powerful: a doubling of the increase in aid for trade is associated with a 5 percent decrease in the cost of importing [Global, 34].

## INVESTING IN INFRASTRUCTURE TO SPUR TRADE

One of the most pervasive binding constraints to export growth, productivity increases, and increases in national incomes is the quality of infrastructure. Several studies have made the link between investments in infrastructure and increasing capacity to trade.<sup>7</sup> For example, Limao and Venables (2001) studied the relationship between roads and telecommunications and shipping costs, and then the relations between shipping costs and trade volumes. They found that an improvement in *transport and communication infrastructure* from the median score on surveys to the highest 25<sup>th</sup> percentile is associated with a decrease in transport costs by 12 percentage points- and this in turn is associated with an increase in trade volumes of 28 percent.<sup>8</sup> Moreover, they show that landlocked countries face higher transport cost since their ability to trade depends also on the infrastructure of the neighbouring transit countries. For example, in East Africa, goods bound for landlocked countries faced the time equivalent of at least three clearance processes of coastal countries. “Poor infrastructure accounts for 40 percent of predicted transport costs for coastal countries and up to 60 percent for landlocked countries.” Furthermore, for landlocked countries, they calculated that improvements in their own infrastructure from the 25<sup>th</sup> percentile to the 75<sup>th</sup> percentile would effectively overcome more than half the disadvantage of being landlocked (Limao and Venables, 2001).

*Roads* are obviously critical to trade. Buys, Deichmann, and Wheeler (2010), in a study for the African Development Bank, undertook an analysis of road networks in Africa. Estimating city-level gravity model averages of trade that could occur, given distance and incomes, and using actual cost and engineering data for road construction, they simulated the effect of creating a feasible continent network transport through up-grading. Their baseline estimates indicate that an investment of some USD 20 billion, together with USD 1 billion in annual maintenance, would generate about USD250 billion in overland trade over 15 years. Similarly, Ben Shepherd and John Wilson (2008) used gravity model simulations for Europe and Central Asia to reach the conclusion that an “ambitious but feasible” road upgrade could increase trade by 50 percent.

Likewise *efficient ports* are essential to trade. Wilson, Mann, and Otsuki (2003) in their study of trade facilitation in APEC used a measure of *port efficiency* (an amalgamation of port efficiency, port facilities and air transport efficiency) in a gravity model and from those conducted some simulations; they found that bringing below-average countries on the index up to the APEC average would produce USD117 billion in additional trade within APEC (2003:16).

Finally, *telecommunications* have been shown to be critical – and probably of increasing importance. Looking at the impact of the internet, an early article by Freund and Weibhold (2000) looked at the role of potential commerce over the internet, again using a gravity model, and concluded that a 10 percent increase in the relative number of web hosts in one country would have increased trade flows by one percent in 1998-99; the explosion in connections all over the world has undoubtedly altered the estimations. Park and Koo (2005) found telecommunications infrastructure to be a significant determinant of bilateral trade levels. Wheatly and Roe (2005) look at international trade in agricultural and horticultural commodities between the United States and its partners, and undertake some analysis that differentiates the export and import effects of internet infrastructure and cost; they conclude that telecommunication effects depend critically on the perishability of products. Today, one could guess that the great majority of searches for internationally supplied inputs and consumer goods begins with the internet – so being online to advertise, to purchase, and to search is important to international trade.

Similar conclusions are found in studies that measure the effects of multiple types of infrastructure together to examine the collective impact on trade. For example, Nordas and Piermartini (2004) look the quality of ports, the density of airports with paved runways, and the density of internet users and of mobile phone subscribers. They show that port infrastructure matters for all sectors, while timeliness and access to telecommunication matter more in the clothing and automotive sector.

### Case stories highlight that trade needs infrastructure

The case stories add colour into the antiseptic black and white pictures of the econometric studies. For example, one case story looked in depth at the interaction of trade facilitation and transport infrastructure; it concluded that road infrastructure in East Africa was in “surprisingly” good condition or in the case of ports improving condition, but rail and internal water shipping were severely deficient. The authors argue for more regional projects on the grounds that purely national projects, while easier to implement, do not remedy coordination failures at the regional level [Africa, 229].

Some sub-regions are beginning to witness joint activities to improve trade-related infrastructure. In Mozambique, the government invested in energy with the technical assistance of the Norwegian government and the World Bank. As a result investments from SASOL, the Pande-field, after a long and turbulent history finally came on stream in 2004 as did

the Temane field in 2010. The governments of South Africa and Mozambique availed themselves of technical assistance from Norway to draft a treaty that eventually made the project economically viable by creating the legal framework to build a pipeline from the fields into South Africa and to Maputo. The total investment has been USD 191 million and will permit extractable gas equivalent to 440 million barrels of oil [Mozambique, 59].

Another example is electric power. Hallaert *et al.*(2011) showed that electricity appears to be a main constraint to trade expansion, particularly the lack of reliability. Improving the reliability of electricity by 10 percent increases openness by almost 2 percentage points on average. The impact is larger on exports (2.4 percentage points) than on imports (1.7 percentage points). Zanzibar together with the Union Government and Norway provided NOK 400 million financed the installation of *submarine* cables connecting the electricity grid on the island Pemba to Tanzania. The 78 kilometre cable will replace 3 diesel generators and increase reliability – and will provide more efficient electricity to inhabitants for the next 20-25 years. This has had downstream effects: the availability of electricity made it feasible for the private sector to invest in a new hotel, with concomitant benefits for tourist export earnings [Tanzania, 135]. Similarly, Chinese technical assistance to Laos led to the creation of an Overall Plan for Comprehensive Development of the Northern Area. This provided a blueprint for investments in, among other things, infrastructure, and subsequent investments prompted the expansion of new trade links with China [Lao, 155].

One example of improving port services essential to trade is in Fiji. The government with support from the Asian Development Bank invested in the ports of Suva and Lautoka on the island of Viti Levu. Originally built in 1963, and revamped and expanded with subsequent investments, yet the port facilities by the time the project commenced were run down and failed to meet modern standards with insufficient space for container cargo. The project figured prominently in both the government’s Strategic Development Plan 2003-2005 and was subsequently integrated into the ADB’s program. As a result, the investments facilitated an increase in turnaround times, and productivity improved from 5.2 containers per vessel-hour to 8.0 containers. Moves per hour of cranes nearly doubled from 11 to 20 [Fiji, 29].

Improving roads was a common theme in the case stories. The Kyrgyz Republic and Kazakhstan collaborated to rehabilitate 226 kilometres of road between their respective capitals, Bishkek and Almaty. The project was coupled with technical assistance to improve customs facilities including equipment and training for customs officials. The Asian Development Bank and the European Development Bank teamed up to finance the road, implemented

## AID FOR INFRASTRUCTURE: RESULTS AT A GLANCE

<b>Greater Mekong Region</b>	Average travel time between Savannakhet and Dansavanh reduced from 10–12 hours to 2.5– 3.0 hours and between Dong Ha and Lao Bao from 4 hours to 2 hours [East Asia, 9].
<b>Fiji</b>	The improvements at the King Wharf increased the load-bearing capacity, and containers moved per hour increased from 5.2 in 1998 to about 8 moves per hour [Fiji, 29].
<b>Morocco</b>	The programme led to an increase in road construction rate from 1000 km/year in 2002 to over 2000 km/year in 2009 [Morocco, 82]
<b>El Salvador</b>	634 km of new electricity cables that connected more than 7000 users for the first time; 950 solar panels were installed; an average of USD 41 was saved from electricity bills per family per year [El Salvador, 233].
<b>Kyrgyz Republic and Kazakhstan</b>	226 km of road were rehabilitated; custom procedures were improved; road traffic increased 25% and exports from Kyrgyz Republic to Kazakhstan increased by 160% [Kyrgyz Republic, 10].
<b>Tanzania</b>	A 78km-long cable gave the island of Pemba a direct link to Tanzania's electricity grid that will provide its electricity demand for the following 20-25 years [Tanzania, 135]

by the Ministries of Transport and Communication in the two countries, and the EU's Transport Corridor Europe Caucasus-Asia Programme provided a parallel grant for customs. The programme had numerous benefits: the introduction of best-practice into road planning and construction; new livelihoods were opened along the corridor – in the form of retail shops, taxi driving, car washing roadside cafes and hair salons. Border-crossings increased by 38% annually between 2000 and 2007, the volume of traffic rose 25% (relative to 1998), and exports for the Kyrgyz Republic have gone up 160 percent [Kyrgyz Republic and Kazakhstan, 10]. A similar story is told, if without the quantitative detail, for the Rijeka-Zagreb motorway, a critical link between the capital of Croatia and its primary port [Croatia, 228].

In the Mekong delta region, the governments of Vietnam, Lao PDR, and Thailand launched an effort in 1998 to connect their respective road networks to expand trade. With the support of the Asian Development Bank, the project identified critical road links necessary to expand regional trade in each of the three countries. To support transport and facilitate trade, the authorities agreed to have a Cross-Border Transport Agreement (CBTA) that covered nearly all aspects of goods and services flows – including customs inspections, transit traffic, and road and bridge design. As a consequence, average trade value rose by more than 50 percent -- to USD 142 million in 2006-07 from 93.5 million during 1999-2000. Average travel times were slashed throughout the corridor, often in half. Time spent actually crossing selected borders also fell by 30-50 percent and average number of vehicle crossings per day increased.

Finally, in June 2009, a CBTA agreement allowed issuance of licenses for some 500 trucks to operate along the corridor without transshipment fees [Asia and Pacific, 9].

Finally, some projects embedded improvements in road transport and other infrastructure with efforts to improve human technical capacities as well as productive capacities. One example is El Salvador's FOMILENIO project, an integrated rural development project that focuses on human development (through education and training), productive development (through technical assistance in entrepreneurial development and through investment and credit in six productive chains) and connectivity (through construction of the Northern Longitudinal Highway (*Carretera Longitudinal de Norte*) and additional investments in rural electricity. It is financed by the Millennium Challenge Corporation of the United States Government. The project has raised incomes, generated employment, and improved the rate of technological adoption [El Salvador, 233].

The stories also contain cautionary tales. For example, efforts to privatize railways in Southern Africa through concessions during 1990-2005, often with donor support, have largely ended in failures. The process of privatisation of railway systems through long term concessions was in many cases flawed. The process took much too long, during which time there were no provisions for funding, the agreements were generally weak and the choice of concessionaires was often poor in that there was a lack of serious bidders with the appropriate skills and resources [Africa, 144].



Still adequately functioning railways are fundamental to effective participation in regional and global trade. Governments are just beginning to look for new ways to revitalize this infrastructure, often through public and private partnerships. Establishing well functioning arrangements is not easy and results not automatic.<sup>9</sup> Getting designs right for anticipated volumes and speeds; getting operating regulations right to encourage full utilization based upon adequate maintenance; getting incentives right through correct pricing, investment provisions, and clearly stated obligations is critical to success in the revitalizing effort [Africa, 144].

Cautionary tales extend to social dimensions of infrastructure as well. Improved road infrastructure in the Central American - Mexico corridor *could* foreshadow an increase in the spread of disease, most worrisomely HIV/AIDs, if appropriate policies are not adopted [Central America, 3]. It has been shown in Africa that transport programmes which incorporate health measures at the programme level can have a significant effect in slowing the spread of disease. In the Central American road projects only recently have similar programmes been incorporated and these are too new to be evaluated. Another story underscored the importance of linking investment in infrastructure to safe driving. The UN highlighted the importance of safe designs for highway construction and driver and pedestrian education – noting that “road crashes claim the lives of more than 1.3 million people and at least 50 million people are injured on the roads every year” [Global, 236], an issue also discussed in the Economic and Social Council for Western Asia [Asia, 238]. Pedestrian deaths are particularly lamentable because they are easily avoidable. Africa has particularly high road casualty rates. This story argued for setting up more adequate information systems, a clear locus of government accountability, regional targets for reducing these figures based upon public education, and improving road design.<sup>10</sup>

## IMPROVING POLICY TO PROMOTE TRADE

If the literature emphasizes one area that is essential to the promotion of trade – whether it is increasing exports, importing more efficiently or creating incentives for efficient import substitution – it is the importance of the policy environment. This is a common theme that runs through Winters’ all-encompassing twin reviews of trade and poverty reduction and trade and growth,<sup>11</sup> the OECD’s extensive work in aid for trade, and the writings of the World Bank and other multilateral development institutions on aid effectiveness. Moreover, the literature on trade liberalization has focused on the potentially important role for policy in assisting workers and firms move from pre-liberalisation internationally uncompetitive sectors into post-liberalisation competitive sectors.<sup>12</sup> The Aid for Trade Task Force recognised this when it gave prominence to the need for adjustment assistance to accompany the Doha Development Round.

Stories in this area can be grouped in three general areas: (i) aid for trade that supported *adjustment to changes in trade policy*, (ii) changes in national *development strategy*, and (iii) those that supported the introduction of *improved standards*.

### Support for adjustment to changes in trade policies

Despite its importance, comparatively few case stories were submitted that directly dealt with comprehensive policy reform supported by development assistance to assist firms and workers to adjust to new post-reform prices. Only three stories dealt with efforts in support of adjustment associated with major reforms of the trade policy [Mauritius, 131, China, 89, and Costa Rica, 157].

The Mauritius [131] story is the archetypical form of “trade adjustment assistance” envisaged in the AFT Task Force report. By 2006, Mauritius was suffering a triple shock – the phase out of sugar quotas, the end of the Multi-Fibre Agreement, and rising oil prices – that had cut off its high growth momentum. In response to a government request, the World Bank provided diagnostics that helped lay the analytical foundations to the reforms.<sup>13</sup> In June, the government announced a major reform programme comprising some 40 different policy initiatives. These included reductions in tariffs and the establishment of an “Empowerment Program” to assist workers and firms during the adjustment period. The Bank then co-financed with the French Development Agency support to the government with

a budget support loan later that year, this began an extended relationship that entailed three more loans in following years, totalling USD 175 million. FDI grew and exports increased. Growth rates accelerated from 1.5 percent in 2005 to over 5 percent in 2007-08 before the Great Recession induced another slowdown in 2009. Despite the breadth of its reform programme and the country's concerted requests, the international community did not provide Mauritius with concessional lending because of its status as a middle-income country [Mauritius, 131].

To help small farmers adjust to import competition after China's agricultural liberalization in the wake of its accession to the WTO, Canada's CIDA worked with the Chinese government to develop a programme to help small farmers adapt to the new trade incentives. The five year programme began in 2003 and was funded with CAD 40 million. It was designed to help train more than 20,000 farmers, agricultural extension works, and officials in food safety and WTO marketing rules. The programme was effectively a pilot programme, and eventually led to spin-off efforts that China is still implementing [China, 89].

Costa Rica implemented an ambitious programme of trade opening in which it progressively reduced its tariff duties from an average of 46.3 percent in 1982 to 16.8 percent by 1989, and then, after joining the then-GATT in 1990 and later CAFTA in 2009, to an average of 5.87 percent in 2010. During this period the government tapped into external support from the IDB, the Central American Bank of Economic Integration, UN Economic Commission for Latin America, UNCTAD, the OAS, and the WTO. The assistance took a variety of different forms: training for trade negotiators, acquisition of hardware and specialized software program, funding for numerous meetings, programmes for small rural farmers, for SMEs, for standards and support to conform to needs of multinational companies so as to participate in supply chains. Experience with trade negotiations led to the formation of free trade agreements with 42 countries – imply that more than 75 percent of Costa Rica's exports enter foreign markets under the auspices of free trade agreements. This contributed to a strong economic growth and poverty decrease by more than one-third, falling from 28.3 percent of the population in 1989 to 18.5 in 2009 [Costa Rica, 157].

### Support for changing national development strategies

Experience has shown that trade reforms may not deliver the expected economic growth and poverty reduction. Hoekman and Olarreaga (2005) illustrated the importance of complementary policies in their quantitative estimates of gains from liberalization. Hallaert (2010) argued that the impact of trade reforms on both trade and economic growth will depend on compatible and complementary policies. First compatible policies are needed to reduce the risk of policy reversal and an appropriate macroeconomic environment is essential to make a trade reform sustainable. Second, building infrastructure, supporting the financial and banking sector development, building public and private sector capacities or supporting some regulatory reforms are usually needed so that firms can take advantage of new price incentives. Kenya, Ghana and Cape Verde launched comprehensive reform programmes as part of their national development strategies.

In Kenya, the programme involved removing obstacles to private investment and growth. In 2005-2006 Kenya launched an inventory of all its business licenses, fees, and user charges – and concluded that the resulting number was simply too high – 1,325 – to be consistent with a growing private sector. The government eliminated 315 licenses, simplified 379, and retained 294. Simultaneously it created an e-Registry as a focal point for investors seeking information about obtaining licenses and operating a business. It has set up a Business Regulatory Reform Unit to oversee license and will screen all new proposed regulations through a Regulatory Impact Assessment process. The case story indicates that these efforts led to *“gains...in FDI flows, growth in local investments and business start-ups... growth in employment...and more efficient delivery of public services”* [Kenya, 17].

In the case of Ghana the programme was more overarching – and entailed stabilizing the macroeconomic environment, financial sectors reforms, new business registration procedures, infrastructure development, public sector and justice reforms, and reforms to land and property rights. This became an organising vehicle for programmes with the development partners in a signed memorandum of understanding, including with DFID, DANIDA, IDA, GTZ, AfDB, IFC, EU, and the Governments of France, Japan, Switzerland and the US. The programme resulted in several procedural improvements that would appear to lower the costs of doing business and expand trade [Ghana, 65].

IMPROVING POLICY: RESULTS AT A GLANCE	
<b>Sri Lanka</b>	Accredited laboratories saw their customer base (exporters) increase by 72%, and thanks to their improved services (and other complementary assistance to the sector) fish exports from Sri Lanka increased from 7,742 MT in 2002 to 15,014 MT in 2008 [Sri Lanka, 115].
<b>Indonesia</b>	Improved fumigation techniques in Indonesia allowed the mutual recognition and avoidance of re-treatment in Australia, which saved an estimated USD 4m; about 12 tonnes of ozone-depleting methyl bromide were not used thanks to effective fumigation practices [Indonesia, 151].
<b>Honduras</b>	After reforming business regulation, the time needed to open a new business went from 62 days in 2005 to 20 days in 2008 [Honduras, 247].
<b>Ghana</b>	Regulatory reforms included the creation of the Commercial Court to speed the timing of commercial dispute resolution and contract enforcement [Ghana, 65]
<b>Mauritius</b>	Trade policy reform paid off especially in terms of FDI which five-folded from 2002 to 2007 reaching 11 million rupees; growth rates increased until the onset of the Great Recession [Mauritius, 131]
<b>Central America</b>	SPS capacity-building activities and improvements in sanitary regulation in Central America have contributed to generating over USD 100m in exports to the US market since 2006 [Central America, 223]

Source: Selected subsample of results taken from OECD/WTO case story data base

For Cape Verde, the WTO accession process was a driving force for reform. The government committed to binding tariffs to an average of 19 percent. Because tariffs are primarily to raise revenue, the country embarked on a programme to reform revenue collection. But the reform programme went much beyond tariffs – and donor support in trade-related areas went much beyond the technical assistance of the WTO. The programme included improvements in fisheries managements, infrastructure, telecommunications, airports and ports as well energy and some business regulation. Though much remains to yet to be done – particularly in business regulation -- the results of policy reforms so far have included an increase in foreign direct investment and, most important, increases in income that have outpaced the rest of Africa in recent years [Cape Verde, 222].

Other countries reported similar broad-gauged reforms with positive outcomes [Tanzania, 286; Uganda, 100]<sup>14</sup> Burundi [211] was reported to have initiated major reforms to improve revenue collection from both tariffs and non-tariff domestic sources.

### Raising standards for products and labour

Meeting standards is major obstacle for exporters, particularly in low-income countries, so case stories recounting programmes to provide that service are noteworthy. These include, among others, programmes in the Latin America [252] and [253], Bangladesh [208], the Caribbean [169] Central America [223] East Africa [61] and [92], Morocco [179], Pakistan [115], and Sri Lanka [91]. In the Gambia, for example, the EU through its UNIDO-executed West Africa Quality Programme supported a major effort to help firms meet quality to international standards. Even though the program's implementation has lagged the original timetable set out in late 2007 – only two of six components are nearing completion -- it is refurbishing a metrology lab that is close to completion and it has established a National Standards Bureau in December 2010, approved national SPS and Codex standards for edible oil, labelling and advertising. The project has been extended for another year [Gambia, 45]. What 10 years ago might have been considered “niche” standards are now more mainstream, and offer growth and product differentiation potential. For example, certified-organic exports from Uganda have grown from USD 10 million in 2004-05 to USD 37 million in 2009-10 [East Africa, 102].

The work of the *Instituto Interamericano de Cooperación para la Agricultura* (IICA) throughout the Americas is an example of differing ways donor assistance can be used to promote international agricultural standards and exports. IICA developed projects with the support of the US Department of Agriculture (USDA) to allow countries to participate in standards meetings in the WTO, but it became clear that a more ambitious project was needed – and so began a five year project to foster internal discussions in capitals on standards prior to every SPS meeting in Geneva, and WTO training courses often supplemented this effort [Latin America, 251]. IICA also put together a valuable set of tools to improve SPS compliance and performance of agricultural health and food safety services [Latin America, 253].

For the standard setting process to be effective in allowing both additional market access at and product quality meeting international standards, it must include private actors and developing country officials. One lesson from ITC's Ethiopian Coffee Improvement Project was the importance of involving buyers in project design. Their direct knowledge proved invaluable in ensuring effective interventions [Ethiopia, 75]. Similarly facilitating the participation of LDCs in standard setting requires also providing training throughout the process of designing appropriate standards and then implementing them in-country.

Labour standards are also important. In Cambodia, the World Bank's IFC has teamed up with the International Labor Organization to establish a programme called "Better Factories Cambodia" (BFC). The programme involves a monitoring mechanism built around unannounced visits to inspect factories to ensure that working conditions – adequate emergency exits, lavatory facilities, and hours – are met. By combining supervision efforts in the public-private program, multinational companies were able to consolidate their inspections and audits with the local inspections with the imprimatur of the IFC and ILO. The programme was supplemented with training for supervisors and offers an information management system to monitor working conditions. The programme is widely seen as successful in improving not only working conditions but also productivity as absenteeism and worker turnover rates have declined [Cambodia, 126]. Moreover, better labour standards attract from reputation-conscious buyers who can ask for the BFC to provide a report on the monitoring results in the factory of interest. Using factory-level data provided by BFC, Oka (2009) finds that having at least one particularly reputation-conscious buyer influences factories to have better compliance levels.

Other studies have shown that during the Great Recession, enterprises participating in the Better Factories Cambodia programme and companion certification programmes in other countries suffered fewer order cancellations than non-participating factories.

One of the emerging areas of concern for developing countries has been increasing importance of private standards in shaping trade. These are often set by large importing retailers, their associations, and sometimes with the informal or formal support of their home governments. UNIDO in 2008 began to discuss these emerging standards in a forum with private producers, governments and stakeholders. With the sponsorship of Norway, this eventually led to the production of a guide, *Making Private Standards Work for You*, intended to make transparent a range of standards in three labour-intensive industries of particular concern to developing countries, namely garments, footwear and furniture [Global, 112].

## BUILDING CAPACITY AND IMPROVING COORDINATION TO ENHANCE TRADE

Technical assistance to build capacity and skills within developing countries' governments comprise the largest number of trade case stories. Definitions of trade-related capacity building vary. The WTO<sup>15</sup> defines trade capacity building to include human capacity (training of professional negotiators), institutional (customs and standards) and infrastructure capacity. In a narrower approach, Prowse (2002) emphasized developing the technical capacity within governments to originate and implement a broad array of policies that would enhance trade. She argued that government and donor efforts were in effect too piecemeal to be effective, and advocated a more strategic and comprehensive approach, an argument that later would lead to the establishment of the Enhanced Integrated Framework trust fund (see below). Whalley (1999) on a background paper for an OECD experts meeting of the DAC follows a very similar breakdown. This section adopts this narrower definition.

As with the overall sample, the most frequent region represented in the stories was Sub-Saharan Africa, though stories came from Cambodia, the Caribbean, and as well as Cameroon and Comoros. This category was among the most diverse of those submitted. Three clusters of technical assistance project emerge from the collection. First, some case stories took the form of stories that discussed efforts at the global, regional, and county level to *create knowledge and capacities* to help countries integrate trade more fully into the national development programmes.

Second, others took the form of providing assistance to governments to improve the *formulation of trade policy* or help with trade negotiations. A third set of stories concerned efforts to help governments understand and implement specific trade-related laws, including *new intellectual property regimes*.

### Projects focusing on knowledge and capacities

At the national level, one of the most ambitious programmes to build capacity to formulate and implement trade policy is the Enhanced Integrated Framework (EIF). Born in 2007 out of earlier efforts to create trade management capacities in LDCs, the EIF was up-graded and made a Trust Fund with its own secretariat and resources that were intended to reach some USD 240 million. These resources were to be put at the disposal of LDC governments so they could remedy shortcomings in technical staff through training and targeted projects of their choosing. The programme continued financing Diagnostic Trade Integration Studies (DTISs), a programme that had begun in 2001 and produce exhaustive studies of each country's infrastructure, institutional, and policy obstacles to trade. These studies also included reviews of technical assistance needs that were intended to mobilise donor support and become a coordination vehicle for in-country aid for trade.

Some 31 case stories contain mention of the EIF, and several recount EIF-sponsored activities to help improve design of trade policy. One example is Lesotho [150] which recounts the decade long effort of the EIF and its predecessor organisations to help the country deal with the enormous trade problems it confronts: being landlocked, dependence on the garment industry, and limited technical capacity. The effort was essential to helping Lesotho unlock donor finance for aid for trade – as much donor financing was going to the social sectors and potentially neglecting investments in potential sources of growth, many of them trade-related.

The case story from Zambia [154] tells of the long – and at times bumpy – road to implementing a consistent trade strategy with the support of the EIF and its predecessor. The DTIS was validated with donors and government officials in July 2005, but because of insufficient stakeholder consultation, including within the government, the document was not approved by the government until one year later. Moreover, staff turnovers and limited technical expertise in the donor community also complicated implementation – and also the key implementing agency itself had limited capacity to implement some of the reforms and projects suggested in the DTIS. Despite these difficulties, “the EIF has achieved some notable results in Zambia”.

Raising awareness of the importance of trade to growth led to the inclusion of trade in the National Development Strategy and key elements into the Poverty Reduction Strategy. It has helped introduce efficiencies and mobilize additional donor resources. And it has become the main mechanism through which Zambia obtains access to aid for trade resources. It has also become a central vehicle for building productive partnerships with many donor and NGO groups as witnessed in Zambia's work CUTS and the Government of Finland to identify new potential for economic diversification, help promote awareness of opportunities through workshops, and identify constraints (such as infrastructure) that the government could redress with donor support [Zambia, 180].

In addition to EIF and other efforts at the national level, some capacity building projects also operate at the regional level. One of the more ambitious capacity enhancing projects was joint venture between the Eastern and Southern African Management Institute and Lund University in Sweden financed by SIDA. The project constituted a major effort to augment the capacities of African policy makers, primarily from LDCs, through a sustained effort at vocational education and university training beginning in 2006. The programme trained annually some 300 government and private sector representatives from low-income African countries. In 2010 alone, the programme had enrolled 617 participants [Africa, 95]. Another example of this type was the OAS programme that offers a professional Masters degree at the University of West Indies [Latin America, 84].

At the global level, several case stories showcased effort to mobilize information that would be of prospective use to developing countries. For example, the ITC described its efforts to make available to developing countries data on market access for developing country exports, including tariff and nontariff barriers in major markets. Begun in 1999, the ITC's Trade Map and Market Access Maps have grown in popularity, and this USD 22 million project now has some 130,000 users. Originally a subscription service, in 2008, the ITC began making these tools available at no cost to a wide range of users in developing countries to help them as they formulate negotiating positions and search out export opportunities [Global, 73]. Another example of a tool for worldwide use, if with a far narrower user base, is UNIDO's *Trade Capacity Building Resource Guide*. This is a compilation of the capacity building activities of providers from the bilateral and multilateral donor community [Global, 113].

A third example is the effort of the Commonwealth Secretariat to generate data, tools and research on women in trade at the global, regional and national levels; this effort produced, among other things, a *Gender and Trade Action Guide*, a gender and trade website, and research on Gender and Women's Rights Analysis of the EU as well as advocacy in several international fora [Global, 50], a research and training programme which was echoed at the regional level in SADC's Gender Programme [Southern Africa, 55].

### Projects to enhance negotiating and implementation capacities

Aid for trade has contributed to the enhance capacity of negotiators to participate effectively in international negotiations, to understand the full legal implication of accords, and to implement them once agreed. For example, the Organization of Eastern Caribbean States (OECS) was able to participate more effectively in the WTO negotiations because of the support it received from the Canadian International Development Agency (CIDA) beginning in 2000. The OECS set up a mechanism that allowed it to formulate a more coherent approach, eventually culminating in the organization of full mission in Geneva in 2005 with the support of the EU, among others, though sustainable funding remains a problem [Caribbean, 259]. Likewise, several donors, including UNDP, and WTO, supported Madagascar's trade capacity strengthening programme beginning in 2003 [Madagascar, 255]. Rather than trade officials in one country, another model is to offer the same course to several countries' officials in one place: For example, the Regional Trade Policy Course in Singapore, a partnership between the National University and the WTO, offers a three month course for senior officials from LDCs in the Asia-Pacific Region [Global, 262].

One requirement of WTO membership is a periodic Trade Policy Review of Member's policies. The WTO has recently piloted the inclusion of a review of Aid for Trade as part of the TPR process in six countries. One conclusion of this exercise is that it becomes particularly useful when the analysis and recommendations emanating from the review and discussion in Geneva have some follow-up by the government and donor community – something that Belize and the Inter-American Development Bank have done to great effect [Global, 205].

Funding in support of the EPA negotiations was a common thread in the case stories. The European Union through its "Hub and Spokes" programme has endeavoured to strengthen the capacity of trade policy officials in the ACP countries to formulate negotiating positions in the WTO and Economic Partnership Agreements. The project in the Caribbean involved organizing a "bottom up" approach that incorporated private entrepreneurs and NGOs into a consultative process with government officials through the formation of Public-Private Consultative Groups; the provision of a regional trade policy advisor to the Caribbean Community Secretariat and to the OECS secretariat, and eight trade policy analysts to countries in the region – Dominica, Guyana, Jamaica, St. Lucia, St Vincent, and the Grenadines and Trinidad and Tobago. Collectively these efforts laid the foundation for the preparation of the Cariforum negotiations with the EU on its EPA arrangements, trained staff in rules of origin, and later set up an implementation roadmap for the EPA provisions. The programme also sponsored technical assistance to Belize and other Caribbean countries to help bring their export subsidy programmes into compliance with the WTO [Caribbean, 22 and 258]. In Jamaica, the Hub and Spokes Programme provided a Trade Policy Analyst to help the Ministry of Foreign Affairs develop negotiating positions and analyze specific issues, notably trade in services [Caribbean, 182]. The Economic and Monetary Union of West Africa (UEMOA) presented a case story recounting a similar experience [Africa, 33]. Sudan's efforts to improve its negotiating capacity with the EU is also representative [Sudan, 93].

The United States too has offered assistance in implementing its trade agreements. One example is aid for trade associated with its bilateral trade agreement with Vietnam which begun in 2001. The Vietnamese Government used USAID resources to bring together several ministries—eventually comprising 52 different agencies – in training efforts, and to solicit their help in drafting new legislation and regulations that would eventually pave the way for accession into the WTO in 2007. This effort culminated in the revision or new development of nearly 100 laws and major implementing regulations that, taken together, formed a foundation for its then-emerging market economy [Vietnam, 232]. As a consequence, Vietnam has increased its income at more than 7 percent annually in the last decade, and exports have grown from USD 18 billion in 2001 to USD 72 billion today.

A more regional approach to improve the negotiation capacities of countries was that taken by the Asian Development Bank. Their work on trade capacity building started early in the decade and provided technical assistance to several of their client countries. This took the form of pulling together detailed information on various free trade agreements (FTAs) to create transparent data base for country negotiators – involving an analysis of trends, summaries of key provisions, preparation of a comparative toolkit on FTAs, among other things. It involved capacity building through the provision of training courses and the publication of manuals on trade (sometimes in partnership the UNESCAP). Research, a third pillar of activity, produced several informative reports analyzing the benefits of FTAs and the WTO's Doha round, economic effects of integration, and trade costs generally. Finally, working with the WTO, World Bank, and other multilateral partners, the ADB has provided a steady drumbeat of advocacy for best practices in multilateral trade policy formulation [Asia and Pacific, 11].

Similarly, the InterAmerican Development Bank has mounted a sustained effort at building capacity of trade negotiators throughout Latin America for more than two decades. This has evolved over time from the mid-1990s capacity-building efforts at the launch of negotiations on the Free Trade Area of the Americas (ALCA) through to the present stage (2006-2011) of strengthening capacity to administer the several intra-regional free trade agreements, and more recently (2008-2011) implementation of market access agreements and trade facilitation. This includes help with administration of rules of origin and interoperability of single windows. This long history has produced distinct benefits: greater negotiating skills, better intra-regional knowledge on production capacity, and improved coordination of several trade-interested actors within countries [Latin America, 213].

In Eastern and Southern Africa, through its TradeMark Southern Africa program, DFID has supported the efforts of three regional economic communities – COMESA, EAC, and SADC – to harmonize trading arrangements, promote the free movement of business people, and facilitate the joint implementation of inter-regional infrastructure. This grew out of the Heads of State meeting in October 2008 that inaugurated efforts to establish a Tripartite FTA, including dealing with non-tariff barriers, rules of origin, customs cooperation, transit trade, trade remedies, SPS and IPR issues, among other things. The effort would require 26 countries to negotiate with each other. TradeMark Southern

Africa is providing technical support to the three secretariats, including the provision of short term technical assistance, building analytical capacities for trade policy formulation, and improving negotiating skills. These efforts have contributed to the establishment of institutional structures to conduct the negotiations, a draft Tripartite Agreement with annexes that will form the basis of negotiations, a draft Roadmap outlining timetables for negotiations, and support to the preparation of negotiating modalities and rules [Africa, 49].

To these efforts of strengthening negotiating and implementation capacities should be added programmes of knowledge creation and research that inform negotiators of the consequences of alternative policy formulations. The development banks, development institutes, universities and NGOs have produced a rich literature on the implications of the Doha Development Agenda (DDA), on regional free trade arrangements, and on bilateral trade and investment agreements of various sorts. These were generally not the subject of the case stories. Exceptions included the case story of the World Bank's research that described its analytical efforts in environmental goods and services, and the complexities, nuances, and potential of these discussions in the DDA [Global, 167]. Another example was ODI's analytical contribution to the AFT discussion in West Africa, a contentious and important companion to the EPA discussions there [West Africa, 147]. Nonetheless, informative as they are, these and other stories are small tips of the massive research iceberg that has contributed to understanding of collective trade action.

Ultimately these projects, like some other forms of technical assistance, can rarely lay claim to direct results on exports and imports. Nor can they readily be evaluated on the development-promoting quality of regional or multilateral trade agreements that emerge from the Economic Partnership Agreement negotiations or the WTO's Doha Round – simply because these outcomes are the result of negotiations outside the power of any one actor, however much empowered through knowledge. Moreover, the evaluator does not know the counterfactual – would the EPA negotiations or intra-regional negotiations have had a different outcome in the absence of the training and other knowledge dissemination? These qualifications notwithstanding, the case stories do provide a rich recounting of efforts to empower negotiators and their constituents in the general public with greater knowledge, and one finds little dissent in these stories about the value of these efforts.

### Improving capacities to implement specific trade laws: intellectual property rights

Several stories contained illuminating descriptions of improvements of specific capacities at the country level. These include aid for trade for technical assistance and capacity building designed to improve trade policy formulation, trade administration, implementation of SPS requirements, and better business regulations [Colombia, 227; Bangladesh 202; Botswana, 219; Vietnam, 195].

One recurrent theme was intellectual property rights. For example, the IDLO trained some 200 officials and private stakeholders in ways to use intellectual property rules to promote development in four countries of Africa – Ethiopia, Mozambique, Namibia, and Zambia. This led to the adoption of a new Intellectual Property Policy [Africa, 69] and a set of recommendations for the Trademark Act of Zambia. It also fed into the discussions on intellectual property that were part of the EPA negotiations [Africa, 69]. Similarly, in Cambodia, the Republic of Korea sponsored four types of training of 34 government officials during the course of 2005 as well as joint research on policy issues, for the most part associated with the adoption of regional agreements, SPS standards, and intellectual property rights. This training helped officials later to organize a larger effort in the form of sector wide approach [Cambodia, 79]. In Vietnam, the Swiss government provided assistance to authorities' efforts to establish a TRIPs-compliant intellectual property regime in three phases as part of their accession to the WTO. This involved help with the legal framework, enhance the provision of administrative services, teaching of IPR at universities, help with geographic indications, and the protection of traditional cultural expressions. It contributed to the adoption of a new law on intellectual property in 2005, setting up of IPR courts in 2007, an IP institute, and transfer of knowledge on valuation issues. Training to 240 enforcement officials was associated with acceleration in IPR enforcement cases and raids to shut down violators. With the assistance of follow up courses on GI provided by the Swiss and France, the effort also prompted Vietnam to register three geographic indications – Lang Son Start Anis, Doan Hung Grapefruit and Vinh Orange. Vietnam and Switzerland later teamed up to provide similar assistance to Laos [Vietnam, 96].

The International Centre for Trade and Sustainable Development (ICTSD), with financing from DFID, has provided technical assistance to five countries -- Sierra Leone, Uganda, Rwanda, Bangladesh, and Tanzania -- to undertake needs assessments

in the implementation of IPRs beginning in 2007. These efforts helped the countries take advantage of the WTO TRIP's Council invitation to submit needs assessments for possible donor finance, and by June 2010, all of the countries but Cambodia had submitted their assessments and Cambodia is expected to do so in 2011. It is expected that the Enhanced Integrated Framework (EIF) will provide financing for follow-up technical assistance identified in the needs assessments [Global, 249].

In the Caribbean, a group of regional stakeholders is beginning a programme to leverage intellectual property rules. This public-private group – including the Caribbean Association of Industries and Commerce, Caribbean Export, the Office of Trade Negotiations of the Caricom Secretariat, the OAS and others – are setting up training programme for entrepreneurs in three products (Grenadian nutmeg, West Indian Sea Island Cotton, and one to be named from Belize) with the idea of helping them move up the value chain by developing quality brands. Similar activities are planned for training at the university level, and in three countries [Caribbean, 170].

Rarely in this type of aid for trade is it possible to trace direct results to productive outcomes. Global programmes may well lead to new insights that motivate policy makers and private actors, and these in turn may lead to new policies may in turn produce greater trade, rising incomes, improved gender equality and a better environment. IPRs may eventually provide dividends in terms of earnings to music and transitional knowledge and greater foreign direct investment – such as that Vietnam has experienced – though the link between stronger IPRs and increased FDI has only been convincingly made to technology-intensive investments in middle-income countries.<sup>16</sup>

But a few cases stories argued that new IPRs were crucial to increased trade and FDI. In Jordan, for example, the signing of a free trade agreement with the United States provided impetus to put in place new intellectual property regulations in 2001. This was reported to have fostered the expansion of the fledgling generic drug industry that took off. By 2010, sixteen pharmaceutical companies had sales of more than USD 500 million and were exporting 81 percent of their production to over 60 countries. The largest company, Al Hikma Pharmaceuticals, now has subsidiaries in the United States, Europe and throughout the Middle East, and has expanded its domestic R&D activities into a global network of laboratories [Jordan, 173]. Other similar stories, submitted by WIPO using its IP Advantage data base, are reported for beer exports from the Lao PDR, [Lao, 172] and Marula oil in Namibia [Namibia, 134] (see below).



## UNDERTAKING PRO-ACTIVE INDUSTRY-SPECIFIC POLICIES

One of the hot controversies in development economics is the topic of industrial policy – that is, policies of governments targeted at promoting growth of particular sectors. The purported purpose is to foment development in sectors countries have a latent comparative advantage, where there are positive spillovers in terms of technological advance, employment, or other social purposes (e.g. poverty reduction or gender), and where policy can offset the costs of “discovery” of new products. As Harrison and Rodriguez-Clare (2009) argue, however, the argument for protection only carries weight when the country adopting the protection has a latent comparative advantage, such that the industry will thrive when protection is later removed. Instruments typically used are tax breaks, credit and budget subsidies, and reservation policies in government procurement, and trade protection. In trade policy, instruments have included trade-related investment measures, sectoral restrictions on foreign and/or private investment, and subsidies to technology policy.

Dani Rodrik, among others, has been a leading proponent of industrial policies to promote competitiveness. Much of his view is predicated on offsetting the “discovery” costs essential to diversification, and to the desirability of certain product portfolios that lend themselves to inter-industry spillovers, an argument elaborated by Hausmann and Rodrik (2003). One justification for industrial policy generally is that it can help countries move into higher technology products, and are more likely to lead to faster growth rates. Hausmann and Klinger (2006), extending work by Hausmann and Rodrik (2007), argued that certain types of products lent themselves to more rapid movement into other newer products or otherwise produced externalities, which were more amenable to rapid structural transformation and productivity growth.

Others, such as Pack and Saggi (2006), have taken a more critical stance, and argue that failures have been as common as success and variables other than industrial policy could as likely explain positive outcomes in regions such as East Asia. Harrison and Rodriguez-Clare (2009), in one of the most comprehensive review of the empirical literature, conclude the evidence is inconclusive. They drew a distinction between “hard” and “soft” industrial policy. “Hard industrial policy” in their formulation includes tariffs and nontariff barriers, exports subsidies, and

tax-breaks for foreign and domestic corporations. They find little support in the evidence that these policies can be predicted to lead to more rapid growth or diversification. They contend these policies are too easily entrenched and are more easily subject to manipulation by interest groups. On the other hand, their formulation of “soft industrial policy” -- namely “programmes and grants to, for example, help particular clusters by increasing the supply of skilled workers, encouraging technology adoption, and improving regulation and infrastructure” (2009:76) – is often effective. A key characteristic is that these policies tend to expose supported activities to import and export competition rather than protect them from it.

Focusing on exports, Lederman and Maloney (2010) probe in detail whether “what you export matters” and whether that would justify more aggressive industrial policies. Their conclusion is that: *“First, what you export probably does matter. Externalities exist. . . and there is no reason to believe that they are associated with all goods equally. . . Second, the literature still offers us no confident policy guidance on what those goods might be. . . our bottom line is that “How you export matters more.”* (2010:85) That is, the way a country deploys its resources to raise productivity is more important than the basket of goods they produce.

### Evidence from the Case Stories: Soft Industrial Policies

Industry-specific policies surfaced frequently in the case stories. The instruments used only infrequently mention the broad instruments commonly debated in the literature – tariff and nontariff protection at the border, tax expenditures, subsidies and procurement as well as measures proscribed by the WTO, such as performance requirements and export subsidies.<sup>19</sup> More common are measures for specific industries to provide direct technical assistance on production techniques, help with meeting standards, up grading quality, information about foreign markets, concerted government efforts to overcome specific transportation or other constraints in the value chain, and often coupled with some small amounts of subsidies. The measures in the case stories tend to conform to the “soft industrial policy” of Harrison and Rodriguez-Clare (2009) or industry-specific versions of what Newfarmer, *et al.* (2009) called “pro-active” government policies.<sup>20</sup> These policies are intended to remedy market failures (such as in information about export markets), to increase exposure to competition by actively promoting entry, and/or addressing bottlenecks in the supply chain to lower the costs of trading.

### Expanding exports at the intensive margin: Up-grading quality

Many of the projects were intended to up-grade quality – working at the “intensive margin” with traditional exports. Many of these exports exhibited substandard performance, but had considerable potential if supply-side obstacles could be overcome. Providing technical assistance to improve quality or reducing specific costs in the value chain of delivery to foreign markets were common objectives that, once achieved, had high pay-offs. Among these figured projects in Cameroon to improve bananas and plantain [Cameroon, 19], in West Africa to improve cotton [Africa, 30], EU efforts in Rwanda to improve the quality of tea [Rwanda, 194], in West Africa to improve rice [Benin, 13], in Ethiopia to improve coffee [Ethiopia, 75], UNIDO’s work with Bangladesh to up-grade quality in the readymade garment sector [Bangladesh, 216], Guatemala to improve organic crops [53], in Honduras to improve oriental vegetables [Honduras, 68], in Grenada to improve fisheries [Grenada, 67], in Peru to improve milk quality [Peru, 198], in Mozambique to revive processed cashew exports [Mozambique, 184], in coffee from Tanzania [212], and control of fruit flies in Tonga [99] as well as improving dairy livestock in Indonesia [70], and in East Africa, to improve trade in organic agricultural projects [East Africa, 102], to mention a few.

Several projects were financed by donors to aid producers in meeting *quality standards* in their home and other export markets. Examples include EU assistance for fish production in Fiji [196], in Honduras [178], and Mozambique fisheries [141], as well as assistance to palm oil in Ghana [215].

One example of South-South aid for trade is the Cotton 4 project initiated by the Brazilian government in Benin, Burkina Faso, Chad and Mali begun in 2008 [Africa, 30]. Activities included refurbishing an experimental station in Mali and implementing an evaluation unit and technology showcases in Cotton 4 countries. The project also prepared manual for best-practice farming techniques for Africa. Perhaps of more direct impact, the project introduced in Mali nine Brazilian cotton varieties. These efforts were complemented with a focus on sustainable soil use and biological plague control. The project had dramatic results. Yields increased threefold to 3,000 kg/ha. Overall the project was forecasting a 10% increase in the 2010 harvest. This project marked the expansion of Brazilian technical assistance to Africa that amounted to some 300 initiatives, with a budget of some USD 60 million.

Sometimes it was donors’ trade policies that drove industries to change – and improve. Such was the case of Caribbean rum producers who faced the prospect of losing their privileged access to the EU rum market with the phase out of quota preferences. Taking advantage of EU assistance, rum producers banded together, advocated a slower timetable for preference phase-out, invested in improving quality and product differentiation, and have actually expanded exports [Caribbean, 200]. The results of a similar effort on the part of Fiji to adjust to EU reductions in prices and quotas are much less certain – in part because of the withdrawal of EU assistance in the face of “perceived noncompliance with the pre-requisites” of that assistance [Fiji, 243].

### Diversification at the extensive margin: Spurring new products

Soft industrial policies to promote diversification into non-traditional products – at the extensive margin – were also common in the stories. Grenada’s effort to improve the quality of fishery products for exports offers an interesting example. To counter its environmental vulnerability, Grenada decided to try to change its trade structure by diversifying into highly exportable sectors, and the fishery industry is one of them. This sector, however, faced nontrivial challenges, including strict international standards and norms for fishing, and difficulties in storing and transporting fish. In 2003 Grenada was accepted into the EU’s “Strengthening Fishery Products Health Condition Program” which started (in 2002) as a support mechanism for helping third countries meet EU regulations in this sector. The project trained national inspectors in quality and gave advice to the fishing industry for improving its internal quality systems -- and it provided a vast array of services in this area: institutional strengthening in the form of establishing Produce Chemical Laboratory, training for officers of the competent authority, EU study tours for inspectors and managers, support for testing laboratories and technical institutes, renovation of laboratory structures, technical assistance for development of quality assurance manuals and guidelines, technical assistance for the production of value-added products, product development, packaging, support for small business, funding public infrastructure, among other things. The limited technical capacity in Grenada was a constraint on the project as well as environmental setbacks (*i.e.* rising water temperature). A major result was Grenada being included in the EU’s List 1 of countries that can export fishery products into the EU which was due to the great achievements in the country: the sector has a modern legislation, capacity was built at all levels of stakeholders (from

AID FOR PRO-ACTIVE INDUSTRY-SPECIFIC POLICIES: RESULTS AT A GLANCE	
<b>Bangladesh</b>	Families of the “phone ladies” of less than a dollar increased their income to USD 100 [Bangladesh, 64].
<b>Benin</b>	Exports of Nerica rice tripled from 2007 to 2009 [Benin, 13].
<b>Burundi</b>	The production of essential oils will provide employment for 40,000 families [Burundi, 18].
<b>Cambodia</b>	Almost 100% of rice production is now eligible for export to the EU [Cambodia, 139].
<b>Caribbean</b>	18 new brands of rum introduced into the EU market; 20% increase in direct female employment; 11 energy and conservation projects in 8 countries [Caribbean, 23]. 20 firms were assisted in modernization and several reported reducing costs by 15-20% [Caribbean, 2].
<b>Chad</b>	The whole production chain of leather production was supported from 1,200 new knife/utensils distributed to butchers (200 butchers), to months of training for artisans working the leather (30 artisans) [Chad, 225].
<b>Cote d’Ivoire</b>	5,600 farmers were trained and they delivered 6,000 tonnes of certified cacao of higher yield and quality that led to increasing farmers’ incomes [Cote d’Ivoire, 187].
<b>Cotton 4 (Benin, Burkina Faso, Chad and Mali)</b>	Farmers of organic cotton saw their gross margin increase by 30% and spend 90% less on input costs; farmers have also diversified and are producing sesame, shea nuts and hibiscus [West Africa, 37].
<b>Fiji</b>	6,000 ha of new cane were planted (represents 12% of total production) [Fiji, 243].
<b>Ghana</b>	Since 2009 (3 years into the programme of quality amelioration of palm oil) there has been no single alert or reported case of sub-quality palm oil export [Ghana, 215].
<b>Honduras</b>	A project to develop fishing capacities also led to the creation of 20 alternative products to traditional fisheries for Honduran farmers [Honduras, 178]. Newly introduced oriental vegetables produced USD 30 million of exports [Honduras, 68].

Source: Selected subsample of results taken from OECD/WTO case story data base

## AID FOR PRO-ACTIVE INDUSTRY-SPECIFIC POLICIES: RESULTS AT A GLANCE

<b>Indonesia</b>	<p>Production costs for rattan furniture were cut by 15-20% and all companies that received assistance offered new and improved products [Indonesia, 185].</p> <p>The eco exotic market expanded its exports by 9.8% [Indonesia, 71].</p> <p>The streamlining of value chains, amelioration of quality produce, reduction of waste and costs gave cacao farmers a 20% increase in their income [Indonesia, 152].</p>
<b>Kingdom of Tonga</b>	<p>19% return on investment on the fruit-fly [prevention] project; the identification of the fruit fly saved the market [Tonga, 99].</p>
<b>Lao</b>	<p>“Beerlao” accounts for 90% of the country’s beer market [Lao, 172].</p>
<b>Mali</b>	<p>Brazilian cotton variety yielded 3 times more produce than local variety [Africa, 30].</p>
<b>Mozambique</b>	<p>South African requirements of fisheries imports were met by Mozambique, thus allowing it to export to this country [Mozambique, 141].</p> <p>The construction of a new pipeline for gas extraction, Mozambique will extract approximately 440 million barrels of oil from the Pande gas field [Mozambique, 59].</p>
<b>Namibia</b>	<p>By the year 2000, rural Marula oil producers were receiving over USD 60,000 annually, which they wouldn’t have otherwise had [Namibia, 134].</p> <p>Eudafano Women’s Cooperative (EWC) is now the second largest Marula oil producer in South Africa and has engaged in multiple R&amp;D and marketing partnerships with European firms [Namibia, 134].</p>
<b>Nicaragua</b>	<p>620 coffee and honey producers have significantly higher living standards and income [Nicaragua, 98].</p>
<b>Pakistan</b>	<p>Over 1000 farming households were linked directly to dairy companies, eliminating middlemen [Pakistan, 158].</p>
<b>Peru</b>	<p>Reducing drying time for maca from 3 months to 45 days, production costs and risks were reduced for the 184 families who also saw their incomes increase [Peru, 136].</p>
<b>Tanzania</b>	<p>Certified coffee farmers had net incomes 23% higher than conventional farmers as well as less pesticide related health injuries [Tanzania, 212].</p>

Source: Selected subsample of results taken from OECD/WTO case story data base

quality auditors to individual fishermen and vendors) and the availability of equipped testing laboratories. The project was successful in increasing exports from this sector and improving the quality and variety of products [Grenada, 67]. However, other case stories underscore that this is a hard area to get right. Only through the reported extraordinary commitment of staff looking for creative solutions to problems ranging from lack of finance to testing facilities were Fiji authorities able to successfully implement new SPS standards for fish [Fiji, 196]. In Mozambique, efforts were successful in implementing standards for fisheries only to see rising fuel and other costs depress exports [Mozambique, 141].

An example of non-agricultural technical assistance was the introduction of mobile telephones to Bangladesh [64]. Grameen Bank branched out into mobile telephones and equipped women with the capacity to connect villages up with the nation, better to market their products, and become part of the formal financial system. This raised incomes of the phone ladies several fold, and transformed their lives and those that benefited from the new connectivity [Bangladesh, 64]. Simple technical assistance to mobile telephones in the Dominican Republic also helped that industry take off; USAID (as part of its FTA related) provided assistance to allow numbers to be portable across carriers, and new competition induced prices to fall and the market to widen [Dominican Republic, 231]

A no less interesting example is the story of rattan furniture in Indonesia. With the support of Germany's GIZ, Indonesia undertook a study of the integrated value chain for rattan furniture exports, identified constraints -- in productivity, human resources, knowledge of foreign markets, and capital -- and worked with firms and workers in the industry to overcome these. The results, though adversely affected by the Great Recession of 2008, have included increasing productivity, quality improvements, and a 16% increase in exports in 2010 relative to the previous (depressed) year [Indonesia, 185].

### Tangible results

This group of stories often reported quantitative indicators of successful outcomes, such as increases in production, in exports, in incomes, sometimes with evidence of improvements in gender and environment. For example, increases in exports were reported in Tonga [99], West Africa [13], Ethiopia [75], and Guatemala [53]. Women also benefited according to some stories -- as noted in the Enterprise Uganda case story [Uganda, 116]. In the case of rice technical assistance for the seven countries of West Africa, for example, some 80 percent of the producers were women. (We return to the theme of gender related projects in the final theme.)

These findings are consistent with more sophisticated econometric studies that use techniques that effectively control for other factors. Brenton and Von Uexkull (2009), for example, used a difference in differences method to examine the effects of 88 export development programmes in 48 different countries. They found that, on average, export development programmes have coincided with or predated stronger export performance. Their conclusion that this type of aid for trade would appear to be related to success in expanding exports had to be tempered by what one postulates would have happened in the absence of the policy intervention.

## LEVERAGING THE PRIVATE SECTOR TO PROMOTE EXPORTS: FINANCE, EXPORT PROMOTION AND SKILL UP-GRADING

Aid for trade can support government efforts to promote exports in ways other than activity-specific industrial policies. This theme is intended to capture government efforts to mobilize the private sector – and particular constituencies -- for exporting and efficient import substitution. The case stories generally fell into three broad categories: efforts to provide *trade finance*; cross-sectoral efforts to develop *new sources of exports*; specific programmes, *including SMEs*; and efforts to promote *women in trade*. Taken together, stories in these areas constituted 20% of the case stories submitted, and entailed a wide range of projects.

### Trade finance

Trade finance is the lubricant of trade. It became more important in the wake of the Great Recession of 2008 as financial markets seized up, risk premia rose, and banks centred in rich countries recalled funds to recapitalise (see Chauffour and Farole, 2009; Haddad, 2009; and Chauffour and Malouche, 2011). At the urging of the WTO and others, the World Bank, the EBRD, the Asian Development Bank, the Islamic Development Bank and others expanded their support to banks providing credit to traders in developing countries.

This effort was portrayed in the Trade Finance Programme case story of the Asian Development Bank. The ADB provided finance for some USD 2.8 billion of trade in 2010. It attracted some USD 1.5 billion in co-financing, and works with over 200 banks in 14 countries of East and South Asia. It also supported some 500 SMEs. Almost half of the trade that was supported through the programme in 2010 was South-South trade [Asia and Pacific, 8]. The EBRD reported on a similar programme based upon counter-guarantees to private finance. By 2008, the programme was activity in 18 countries, with 56 participating banks, and 119 confirming banks and a total volume of business of more than USD 900 million. The programme also provided technical assistance to participating banks that helped them improve the accuracy of operations – two thirds reported significant reductions in processing time, and half reported improvements in risk management [Eastern Europe, 39]. The Inter-American Development Bank also augmented its trade finance activities with its Trade Finance Reactivation Program. By the end of 2010, the TFRP had approved over USD 1.2 billion in credit lines and issued guarantees of over USD 800 million, and built a network of 72 issuing banks in 19 countries. Nearly three quarters of these banks count SMEs as their main business focus.

As with the ADB, large portion of the financed trade was South-South intra-regional trade (Latin America, 117]. In Central Asia, for example, the Islamic Development Bank, has played a catalytic role in its efforts to provide assistance through trade finance, and it is also developing a Road Map for aid for trade within the region [Central Asia, 192]. The World Bank through its private sector arm, the International Finance Corporation, doubled its Global Trade Finance Program – a programme of trade finance counter-guarantees to USD 3 billion and established a Global Trade Liquidity Program that will provide USD 50 billion in trade liquidity support in public-private partnership.<sup>21</sup>

Access to credit generally, not only trade finance, is crucial for the whole private sector. Econometric results by Hallaert *et al.* (2011) show that difficult access to credit is a significant barrier to trade. They report that a 10% increase in credit-to-GDP ratio boosts economic growth through its trade impact by 1.8%. This result is consistent with the finding of many developing countries and according to the *Enterprise Surveys* (World Bank, 2010), access to credit is reported as a major business constraint.

### Export promotion programmes

Efforts to promote exports were common to aid for trade stories. In the Caribbean, for example, the Caribbean Export Development Agency received assistance from the EU to provide support services to expand trade. The two and one-half year project ending in 2010 involved EUR 6.8 million. Assistance was provided to companies to address shortfalls in business processes that result in up-grade product and service quality, increase productivity and reduce transport costs, and grants were made to 197 companies throughout the region [Caribbean, 207]. Trinidad and Tobago were among successful users of this facility [Caribbean, 188]. Uganda also invested in export promotion for firms, working with the ITC to undertake a firm survey that would lay the basis for assistance and policy revision [Uganda, 77]. Tunisia's export promotion programme, Famex, has recently been subjected to a series of rigorous impact evaluations [Tunisia, 130], and these show the programme significantly raised "treated" export performance.<sup>22</sup> At the global level, the International Trade Centre (ITC) has focused considerable energy on export promotion of the private sector. For example, the ITC developed a modular learning system for supply chain management for exporters. The programme is now offered in more than 120 licensed partner institutions in 61 countries. More than 25,000 people have taken the 18-module course [Global, 193].

### Programmes aimed at SMEs

More than a score of the case stories recounted government efforts to develop and promote exports through a variety of different mechanisms. Some of these programmes entailed training of entrepreneurs, such as the EU-sponsored programme in Azerbaijan to help firms access the benefits of GSP [Azerbaijan, 12], or the “Coaching Exportador” programme in Chile [123]. Malawi provided training in business economics for SMEs [Malawi, 160], and the Belgium government has provided grants and training to increase the professionalism of small scale producers and their associations in 18 developing countries in sustainable trade, and to help them access the market [Global, 218]. Others were linked to the efforts to promote the private sector more generally; such was the situation described in the stories of Kenya’s Private Sector Strategy [Kenya, 17] or a similarly, Ghana’s Private Sector Strategy [Ghana, 65]. Still, others involved more ambitious efforts at the sub-regional level, such as the Caribbean Export Development Agency’s efforts to provide an array of trade and investment services to firms, including SMEs, within the region, with financial and technical support from the EU, DFID, GIZ, CIDA, ITC, the IDB, OAS, and World Bank, among others [Caribbean, 20]. The Inter-American Investment Corporation of the IDB has a similar program, launched in Guatemala but now expanded to all Central America and the Caribbean, to enable SMEs to access export markets by providing help on researching the market, gathering data on company operations, and providing technical assistance to select group of applicants [Central America, 121].

Other stories focused on ways aid for trade could be used to help SMEs develop environmentally sustainable technologies. The Swiss Government in collaboration with UNIDO and UNEP developed a programme in Colombia to help companies deploy environmentally sustainable technologies along with other SME-support programmes, such as marketing advice, meeting international norms and standards, and improvements in management [Colombia, 183]. Likewise the Netherlands’ Sustainable Trade Initiative (IDH) provides matching grants designed to help SMEs export to the EU market based on a sustainable technologies and fair labour practices [Global, 256]. UNCTAD and UNEP have helped establish organic production programme in several countries of East Africa [East Africa, 102].

### Programmes benefiting women entrepreneurs

Besides trade finance and export development, many stories recount public and private efforts to raise incomes of women through trade. These take different forms. One story that combines a private effort with protection of indigenous knowledge through the patent system emerged in Namibia. The Marula tree produces a plum-size, yellow fruit with seeds that are rich in oil that was used for centuries in skin moisturizing and cooking. In 1999, an NGO had the idea of producing Marula oil in higher quality so it could be sold to the pharmaceutical industry. It formed a women’s cooperative, the Eudanfan Women’s Cooperative (EWC), to set up an export activity. By 2008, the EWC had over 5000 women in 22 groups producing Marula oil from wild trees. These products are sold to The Body Shop, Marula Natural Products of South Africa, and Distell, among others. This laid the basis for a French company, Aldivia, to launch an R&D effort in partnership with PhytoTrade, a fair-trading sponsor of EWC, and Natural Products of South Africa to launch an R&D effort that led to the “Ubuntu” proprietary process to manufacture solvent-free cosmetics. In 2006, Aldivia and South African partners took out a patent on the process, and today, sales of the Marula-based products command a price four times other cosmetics. The EWC has branched out into other export product lines as well. In 2010, they began to market “ondjove” cooking oil and other food oils at the Windhoek Tourism Expo in June 2010. As a consequence, incomes of women producing the Marula were reported to have risen dramatically [Namibia, 134].

Several stories recounted government and donor efforts to use trade to raise female incomes. The Government of Canada and the International Trade Centre (ITC) sponsored a “Program for Building African Capacity to Trade (PACT)” that is active in Ethiopia, Ghana, Mali, Mozambique, Senegal, South Africa and Tanzania. This programme has a sub-programme focused exclusively on women, *Access! African Businesswomen in International Trade*. The programme was designed to provide several trade-related services in an integrated way: training in exports; training in information technology to gain market information; expert advice on market readiness; and market access missions. These efforts resulted in 600 small farmers in Ghana exporting 210 tons of fresh fruit and vegetables a week to Europe. Two South African cosmetic companies now export to Canada. The *Design Africa* brand, developed with the South African Textile Industries export Council, was successfully introduced into the North America markets. The *Access! Program* involved 22 training modules for African businesswomen with 46 trainers in five languages, and certified more than 770 women in 11 countries [Africa, 46; Africa 119].

Similarly, Enterprise Uganda, set up with Norwegian help, in 2001, was designed to provide integrated business support services to SMEs, and in a second phase focused almost exclusively on women. The project entailed training for some 3,832 women entrepreneurs in business management, many of whom were located in rural sectors and with low levels of literacy. This was often coupled with health training to deal with HIV/AIDs. As a consequence, sales associated with women in the programme rose more than 50% in two years, employment rose by 500 people, and investment increase – as did payment of taxes. In general women in cities improved their outcomes to a greater degree than those in the countryside. Even so, the activities of Enterprise Uganda are unlikely to be sustained without continued public sector support [Uganda, 116].

Involving women in the policy process can improve regulations for everyone. In Cambodia, the Ministry of Women's Affairs and the World Bank's IFC organized a forum to link women's organisations into policy making in which concerns about taxation, corruption, lack of transparency in laws and regulations could be addressed. The IFC's project manager put to use some of the ideas in the World Bank's *Gender Dimension of Investment*

*Climate Reform*, a guide to helping design programmes that more adequately account for gender-based concerns. These ideas, according to the IFC project leader, led to increasing women's participation, and to more effective lobbying for women's interests. One outcome has been to make it easier to obtain certificates of origin, which are needed for exporting – including a lowering of the cost of the certificate from more than USD 100 to about USD 1.25. The Executive Director of the Cambodian Craft Cooperative, with some 2,000 members, has found the forum helpful in expanding their exports [Cambodia, 125].

Policy research that links trade and gender can also play a positive role. UNCTAD teamed up with DFID to undertake studies of the gender impacts of trade with a view toward shaping policy in India. The analysis reported in the case story found, among other things, that “export intensity has a positive and significant impact on women employment. But imports have not led to any displacement of women employment” [India, 56]. The authors propose gender-sensitive trade policies that would favour sectors with female employment, enhanced opportunities for women's education, and further studies of the gender impact of trade in India.

## LEVERAGING THE PRIVATE SECTOR: RESULTS AT A GLANCE

<b>Latin America</b>	The Trade Finance Reactivation Programme has formed a network of 72 issuing banks in 19 countries, with trade transactions over USD 1 billion; 73% of banks focused on SMEs [Latin America, 117].
<b>Samoa</b>	Women in Business Development Incorporated (WIBDI) has helped over 350 farms become organically certified by the National Association for Sustainable Agriculture Australia (NASAA); a commercial contract with The Body Shop International was signed for the production of 10-30 tonnes of organic virgin coconut oil a year [Samoa, 257].
<b>South Africa</b>	Women-led development of a nano-technology water-sanitizing product is sold to the UN and NGO's worldwide [Africa, 46].
<b>Cambodia</b>	Women entrepreneurs saw their exports increase when certificates of origin were priced at USD 1.35 instead of the initial hundreds of dollars [Cambodia, 125].
<b>Tunisia</b>	Export diversification in products and markets led to an increase of USD 319m by the end of May 2010. [Tunisia, 130]
<b>Colombia</b>	In-plant technical assistance for environmental assessment resulted in 158 firms reducing water and energy use by 2-4 times, solid waste reductions were halved, CO <sub>2</sub> reductions were also reduced even beyond the project's target [Colombia, 183].
<b>Africa</b>	The Ethical Fashion programme established 7,000 jobs for women in rural areas, 80% of participants said the production orders received through the programme allowed them to provide for their family, 88% said their new ability to make independent financial decisions thanks to the new income was the most important change in their lives. [Africa, 76].

Source: Selected subsample of results taken from OECD/WTO case story data base



## LESSONS DETERMINING EFFECTIVENESS

107. The great majority of activities, programmes and projects in the case stories reported at least some elements of success. While this reflects to an extent the selection bias of sample, several “success factors” were reported, which in combination with discussions of problems encountered, reinforce messages coming out of the larger evaluation literature.<sup>23</sup> These include:

### Ownership is crucial... in the form of government commitment and high level leadership

The most recurrent reported success factor was national ownership of the aid for trade activity. It was mentioned in 120 of the 269 stories. This stands to reason because without active government involvement and sponsorship projects can rarely succeed. One frequently reported manifestation of ownership was commitment of the government to the activity or projects. Sometimes the stories mention involvement of ministers or, less frequently, the President or Prime Minister [Mexico, 114; Kyrgyzstan, 186]. This was commonly seen as necessary to push the project through recalcitrant bureaucracies or private lobbies. In Peru [137] this involvement was also given credit for providing the initial inertia as well as continuous follow-up to the economic reforms discussed in the story. In Zimbabwe [107] it is noted that support “*and commitment at the highest political levels [was] essential for the Chirundu One Stop Border Post to become a reality*”. The opposite is also true: the lack of high level and dedicated leadership in initial days of the Beitbridge Border Post impeded steady progress in an otherwise valuable project [Southern Africa, 267].

### ...built upon active participation and involvement of stakeholders

Two building blocks contributed to national ownership: first, increasing local participation and involvement of local stakeholders in the preparation and implementation of the activity, and second, mobilizing the support of the private sector to advocate the project and anchor it through changes in administrations and governments. Together, these twin elements were reported as success factors in 93 of the 269 case stories. Participation can occur at several levels. For example, the AfDB writes in Africa [1] that the most important lessons taken from the interconnection project of electric gridlines between Nigeria, Togo, Benin, Ghana, Côte d’Ivoire, and Burkina Faso was the need to ensure country ownership and political commitments of the governments starting from the program’s

initial design. At another level, one of the factors that made the Cameroon Customs Reform project a success was involving local customs inspectors in the design of performance contracts that would be used in their evaluation [Cameroon, 164]. The participation of trade associations in Honduras [247] was crucial to the success of their trade programmes. And in Southern Africa, the Confederation of Agricultural Unions provided advice on agricultural standards to trade negotiators and SADC [Southern Africa, 204]. Similarly, the reforms to promote more efficient institutional arrangements in Guyana, with support of the Inter-American Development Bank, were predicated on effective stakeholder involvement: “The stakeholders buy-in into the trade reforms is as critical to success as the political will of the public sector to sponsor or facilitate same” [Guyana, 245].

A lack of local government involvement can not only lead to misrepresentation of stakeholders, but to lack of commitment and ownership that mitigates the drive of success [Gambia, 45] and endangers the continuation of the project once external funding and assistance ends [Solomon Islands, 90]. In Africa [15] a recommendation for future projects is the involvement of the private sector such as selected chambers of commerce and business associations during the design and implementation phases of the project.

### Leveraging partnership at the inter-ministerial level

Trade policy is an interdisciplinary by nature and thus coordination and cooperation among the numerous actors is pivotal. Ministries of trade, economics, infrastructure, agriculture, industry, just to name a few, must work together for efficient policy. Saner (2010) identifies three roles that inter-ministerial coordination plays: to eliminate policy and project redundancy and duplication; to manage cross-cutting issues [*e.g.*, democracy and human rights, environment sustainability, gender equality and HIV/AIDS]; and to integrate numerous international trade agreements and trade policies in a coherent manner. UNCTAD lists inter-ministerial coordination as a crucial first step for implementing successful trade policy.

The case stories reflect this message as a factor for success -- or failure. For example, as Costa Rica seeks to attract FDI on global value chains, the lack of coordination between public institutions was cited as holding its initiative back [Costa Rica, 156]. In the context of SPS regulation, the Ministries of Health, Agricultural and Environment all played a role. CAFHSA’s objective was to assist CARICOM states reach international standards to boost their exports of agricultural goods. However, the lack of initial clear agreement on CAFHSA’s scope meant

**Table 3. The most recurring lesson is to enhance national ownership**  
Number of stories mentioning a particular lesson

Lesson / Author	Recipient Government <sup>a</sup>	Donor Government	UN <sup>b</sup>	MDBs	Private <sup>c</sup>	Total
1 National ownership	56	38	16	8	2	12
2 Increasing local participation (i.e. mobilizing support of private sector)	37	27	21	5	3	93
3 Intra-governmental and interministerial	9	2	2	0	1	14
4 Leveraging partnerships (i.e. between donors in corridors)	11	4	4	4	4	27
5 Adequacy and reliability of external funding	27	8	7	2	3	47
6 Feedback loops between government and stakeholders	19	12	3	1	3	38
7 Value of integrated development programmes (i.e. infrastructure studies/ training/field)	23	15	8	4	2	52
8 Exogenous factors	8	4	2	2	3	19
9 Sustained interest of donors	5	7	3	3	1	19
10 Flexibility in project design	12	13	6	1	4	36
11 Multilateral knowledge married with local knowledge	3	5	5	1	1	15
<b>Total Number of Case Stories by Author</b>	<b>106</b>	<b>71</b>	<b>55</b>	<b>25</b>	<b>12</b>	<b>269</b>

Note: Columns don't add to the totals because a given story can mention more than one lesson

Source: WTO/OECD case story database

the coordination between the ministries and stakeholders was absent and this delayed the whole programme [Caribbean, 24]. In the context of regional corridor, the EAC confronted the challenge of critical inter-ministerial coordination within and between its members by enhancing the role of the EAC Secretariat in long-term planning and coordination while leaving implementation to member states [East Africa, 229]. Following WTO recommendations, the government of Malawi set up an inter-ministerial Task Force on Trade Facilitation (TTF) that included three ministries in addition to numerous public institutions as well as private sector actors. The TTF's main role was to coordinate all trade facilitation initiatives at the country and regional levels. The actions of the TTF were considered as the first factor of success in the case story [Malawi, 7].

### ...as well as donor partnerships

Another common theme was the effective integration of the combined expertise of several donors to achieve a particular project or programme objective. The corridor projects, for example, typically had donors working together in several component parts, building toward a larger whole. For example, 503 km of Silk Road were divided into 8 sections under the Silk Road Rehabilitation Project that entailed the involvement of numerous MDBs and IFIs<sup>24</sup>. A recommendation from Azerbaijan [74] is to deal with multi-donor projects like this one by having a single development partner be the leader of the coordination process to be able to benefit the most from synergies of the cooperation. This is analogous to the EIF model which provides for one "donor facilitator" for all aid for trade projects.

On the overall trade facilitation strategy in Nigeria, “the key factor for success is the integrated partnership approach with the inclusion of most stakeholders and also including the organized private sector and the close interaction with the Development Partners which permitted closer alignment of their programme support” [Nigeria, 7]. Having all partners deeply committed and with a clear common vision was a recipe for success for the projects on organic agricultural goods in East Africa [102], and in the effort to improve standards in Latin America with the support of the US Department of Agriculture and the WTO [Latin America, 251].

### Adequacy and reliability of external funding

One recurring drag on activity success was inconsistent funding mechanisms and/or inadequate continuity in funding. In one example, Malawi [161], it was noted that although the funding had been accepted for the project it was not disbursed in time, which translated into disturbances on the sequencing of activities. Some projects are thought not to be adequately funded, *i.e.* Cambodia [79], but in general whether this was the result of disenchantment with a given project for project-related reasons or a shortcoming of donors swayed by development fads was unclear. In Tonga [99] the authors recommend that projects be equipped with funding aimed to address outstanding needs of the project such as the funding of travel expenses for a technician who was called for maintenance of mechanical equipment. Other stories also emphasized the importance of predictable and reliable donor financing as key [*e.g.* Ethiopia, 190]. Mauritius undertook a major set of policy reforms, but because of its status as a middle income country, its efforts to raise concessional finance associated with aid for trade went unrequited [81], though it did receive timely non-concessional support from the World Bank and the French Development Agency [Mauritius, 131]. Fiji lamented the fact that donor disbursements appeared to be more driven by end of fiscal year timetables than project needs [Fiji, 244]. As might be expected, the stories’ assignation of the causes for these problems – whether with the donors or with the developing country government – depends typically on the institutional affiliation of the author.

### Feedback loops linking government and stakeholders

Strongly linked to national ownership and local participation is the need for a continuous feedback process between governments and stakeholders. Through this process, potential

problems can be identified at an early stage increasing the speed at which they are resolved [Caribbean, 2]. Kenya [17] tells the story of business regulatory reform and it is noted that this close cooperation and coordination between the government officials and all the stakeholders in the reform process was the main driver of the substantial progress achieved. India, in collaboration with UNCTAD, developed strong stakeholder consultation mechanisms, and this contributed to the success of technical assistance to policy formulation [India, 53]. Moreover, feedback and cooperation can lead to strong ownership and therefore sustainability of projects as is pointed out in Grenada [67]. The effort of the Dutch Sustainable Trade Initiative is predicated on “forging enterprising coalitions between government agencies, companies, trade unions and social organisations... to jointly transform the market, and make sustainable production and trade the norm” [Global 256].

### Integrated projects that combine investments with technical assistance

Several case stories mentioned the need for complementary investments in supplies or capacity building. An example of the former is in Cambodia [79] where a project on capacity building by the Korean government in Cambodia had to include the provision of office equipment and further repair and maintenance of it for the office in Cambodia. In Brazil [16] when new IT-based postal procedures were introduced as part of the *Exporta Facil* project, training sessions had to be organised to ensure postal, governmental and customs agents had sufficient know-how to make the most of the reform.

### Delays and changes can occur due to exogenous factors such as natural disasters, political crises and global recessions

There is always idiosyncratic risk that projects must adapt to and deal with in the most efficient way. For example, Grenada [67], Azerbaijan [74], and Montserrat [5] saw significant delays and cost increases due to natural disasters hitting their respective regions, but managed to resume activity after the crises. In Fiji [79], Ecuador [44] and Honduras [101], political instabilities lead to temporary halts but saw the projects resume as well. The recent financial crisis also worked against various projects and was mentioned in Ghana [128] and Caribbean [24] as a major setback. The ADB’s Asia Pacific [8] story, on the other hand, mentions the great performance and help it could deliver during the financial crisis.

## CONCLUSIONS: WHAT IS WORKING?

A careful reading of the case story collection gives rise to some conjectures about what is working – and what is working less well. Because of the inherent limitations of case stories as an evaluation tool, these conjectures are offered to prompt further investigation rather than be taken as the last and definitive word.

### What is working well?

#### Volume

The sheer quantity of activity evidenced in these stories suggests that aid for trade efforts are substantial, are taking root across a wide spectrum of countries, and are becoming central to development strategies. The fact that nearly 40 percent of the stories emanated from developing countries indicates the level of salience of these programmes in the field - and in making them work. That, together with the fact that collection portrays a voluminous quantity of technical assistance, is a testimony to the efforts of recipient governments at gaining access to global information and knowledge on ways to use trade to raise incomes.

#### Reach

Moreover, the diversity of the stories reveals many activities that do not routinely show up in the OECD CRS aid for trade data. For example, virtually none of the stories from middle income countries in Latin America and other relatively well off regions are financed through ODA. Moreover, projects undertaken by the private sector arms of the multilateral and bilateral agencies are for the most part not included, yet these figure prominently in the case stories. This constitutes an important learning for the community of trade negotiators that often focuses predominantly on the dollar amounts transferred -- rather than the broader substance of capacity building, policy studies, technical assistance and knowledge transfers that, at the end of the day, are likely to be as important as financial transfers.

#### Results

Four case stories reported on econometric studies that try to establish links between aid for trade and trade and investment outcomes across large samples of countries. The

## SOUTH-SOUTH AID FOR TRADE AT A GLANCE

<b>Bolivia</b>	Argentina began providing technical assistance to slaughterhouses and meat transport in highland Bolivia in 2007 [Bolivia, 197].
<b>Coton-4</b>	Substantial technical assistance and development programme for the Cotton-4 countries to improve their varieties and yields of cotton [Brazil, 30].
<b>China</b>	Reported on its help to Lao PDR in the planning for the development of selected northern regions [Lao, 109].
<b>El Salvador</b>	Japan and Chile teamed up to arrange for ProChile, an export agency of Chile, to provide technical assistance in various forms to the export programme in El Salvador over a three year period 2006-09 – including the provision of training on international fares, provision of firm-level assistance in exporting, diagnostics, and visiting overseas offices of ProChile in Costa Rica [El Salvador, 123].
<b>Global</b>	The Singapore Cooperation Programme has several technical assistance and training programmes in countries all over the world, particularly in Asia. Begun in 1992, the SCP has trained more than 70,000 government officials from 169 economies [Global, 263].
<b>Honduras</b>	Chinese Taipei provided technical assistance to oriental vegetable growers in Honduras, introducing high yield and pest resistant varieties, and providing assistance in export packaging [Honduras, 68].
<b>Korea</b>	Technical assistance programme for Cambodia to train trade officials [Cambodia, 79].
<b>Lao</b>	With the support of the Swiss, Vietnam provided some technical assistance on IPR to the Lao PDR [Lao, 96].
<b>Nicaragua</b>	Through its FO-AR programme, Argentina also provided capacity building resources to Nicaragua's National Technological Institute (INATEC) [Nicaragua, 199].

Source: Selected subsample of results taken from OECD/WTO case story data base

Commonwealth Secretariat reports on studies that show a doubling of aid for trade to infrastructure, for example, would be associated with a 3.5 percent increase in merchandise exports while a doubling of aid to trade facilitation would lower import costs by 5 percent [Global, 34]. Similarly, UNECA reported that its econometric studies of Africa show that an increase of 10 percent in aid for trade is associated with a 0.4 percent increase in the index of economic diversification; aid for trade also has a statistically significant impact in lowering trade costs as measure in the costs to ship a container [Africa, 104]. The ODI studied a different question: whether grants leverage additional resources; they found that one unit of grant mobilized 5-6 units of loans and some 15 units of other finance [Global, 85]. Finally, the US reported on its Aid for Trade evaluation that of its trade-related projects.<sup>25</sup> The review comprised 265 projects begun between 2002 and 2006 under the auspices of more than 20 US agencies and amounted to USD 1.5 billion in resources. Moreover, projects *“that combined modalities (technical assistance, training, equipment) and those that combined efforts to expand exporting with policy improvements were synergistic in ways that raised project success scores, but this was not true for projects that focused on exports from multiple sectors”* [Global, 201].

### South-south aid for trade

Another emerging trend evident in the case stories is South-South aid for trade. This mirrors a trend that Fengler and Karas (2011) noted about delivering all development assistance – that non DAC donors and philanthropic organisations have grown to provide some 37 percent of development assistance totalling USD 194 billion in 2008, up from 5 percent in 1992.<sup>26</sup> The collection of case stories contains several examples of south-south aid for trade. Nor is this effort limited to middle-income countries helping low-income countries. Rwanda’s revenue authority, for example, teamed up with several donors, to help Burundi improve its tax collection [Burundi, 211]. Moreover the demand for more South-South assistance came out in some stories: In Jamaica, for example, the story concludes: *“Lessons learnt from this project... [include] there should be increased south-south involvement in technical assistance”* [Caribbean, 182].

### Export promotion through soft industrial policy

Finally, the apparent success of “soft industrial policy” -- or pro-active industry-specific policies -- reported in the case stories is worthy of remark. This category had the highest percentage reporting positive effects measured in terms of

outputs and outcomes. The projects generally appeared to be both pragmatic and fruitful, and often translated into benefits for low-income participants, including women. This suggests governments and donors might review their project portfolios to see if shifting scarce in-country resources into these types of projects and away from more general projects with less tangible benefits might be worthy of consideration.

### What is working less well?

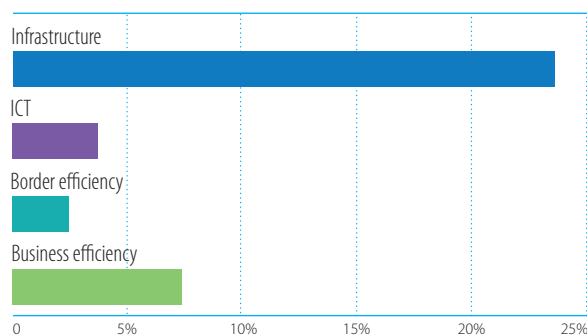
#### Possible Attention Gaps:

#### Infrastructure, adjustment, services, and research?

The sample generated by the OECD/WTO call when compared to the investment of aid for trade resources or trade composition reveals an imbalance that may point to underlying issues worthy of investigation. The relatively small number of infrastructure stories may be an indication of the fact that trade officials are paying somewhat less attention to these areas. In 2009, Infrastructure constituted some 46 percent of aid for trade<sup>27</sup>, and are among the categories of aid for trade has the strongest direct effect on trade performance according to one study (Figure 2).<sup>28</sup> But infrastructure stories accounted for little over 5 percent of the stories submitted. As noted, this may in part be because the classification system tended to classify some stories with transport components into “trade facilitation” or other areas. But it also may reflect the fact that trade ministries have little direct influence over these activities – or that many governments see infrastructure and services as largely unrelated to the trade sphere.

Figure 2. Though countries differ, improvements in infrastructure often have the highest pay-offs in export growth...

Africa: Average increase in exports by improvements to half the level of the best performing countries



Source: Calculated from Portugal and Wilson, 2009

This sampling deficiency is not only attributable to responding governments. The largest providers of aid for trade to infrastructure are the multilateral development banks. However, their submissions also emphasized activities other than infrastructure. Even though they provide 80 percent funds for infrastructure investment in low income countries, infrastructure stories amounted to only 8% percent of their stories.

Whatever the cause, the systematic decline in the provision of ODA resources to infrastructure since the early 1990s – whether measured as a share of aid for trade, of overall development assistance, or dollar *per capita* – ought to be a cause for concern for governments and donors alike. Infrastructure investment is a key determinant of trade, of rising incomes, of increases in private investment, and of reductions in poverty – and probably gender inequality. The links from infrastructure investments to economic performance – and trade – are much more clearly drawn in the literature than other types of development assistance.

Similarly, one could infer an imbalance in the proportion of services trade stories relative to the importance of services in international trade. This is perhaps for some of the same reasons that infrastructure stories are scarce. Only 9 of 269 stories refer to services trade, yet this is one of the most dynamic segments of global trade, and in particular cross-border trade of business services is the fastest growing area of international trade.<sup>29</sup> Examples of stories on services trade are St. Vincent and the Grenadines [264], Guadeloupe [188], Niger [83] and Cambodia [79]. It is worth asking whether this lacuna in the case story collection is symptomatic, however indirect, of both governments and donors failing to pay enough attention to the role of services in international trade. Services are also critical ‘complementary inputs’ that determine the ability of firms to compete internationally, whatever they produce. Even in areas that are well represented in the case stories – such as trade facilitation – services policies that affect project objectives are often neglected, including, for example, policies toward trucking services; brokers, freight forwarders, and so forth.<sup>30</sup>

The silence of the international community on the issue of *aid for trade for adjustment* is also noteworthy. Only three of the 269 stories linked development assistance to the implementation of trade reforms. Yet assistance to adjustment was a major rationale of the 2006 Task Force Report. One reason for this may be that policy-based budget support assistance – the principal form that adjustment assistance often takes – often concerns a variety of policy reforms in a package, and prospective authors were not alert to the call for trade-related case stories.

Alternatively, this silence may reflect shifting concerns of the trade community – where preoccupations with adjusting to any lower tariffs in the Doha Development Agenda, given its slow progress, have given way to the immediate problems of overcoming supply constraints in taking advantage of extant market opportunities. It may also reflect a certain inattention of donors and development practitioners to the knowledge generation needed to learn how best to design trade-related adjustment assistance.

A final feature, worthy of remark, is the fact that relatively few stories concerned the vast development research that the international organizations and donors are undertaking in areas related to trade – to say nothing of the research in universities, NGOs, and the private sector. To be sure, these tend to fall in the province of the research groups within the multilateral development banks, the OECD, selected UN agencies, or in specific agencies within governments – and hence be two steps removed from aid for trade and the call for case stories. However, as a guide to policy options, the abundant research for the Doha Agenda, for regional trade agreements, or for domestic trade and investment policy, this body of work has to be considered far more important than the few case stories reporting these activities would otherwise suggest.

### *Imbalances in emphasis?*

The collection of case stories generally gives more weight to the exports side of the trade balance rather than imports. One simple indication is to use the methodology, applied recently for the OECD under the direction of Patrick Messerlin to aid for trade; his did team a cluster word count to discern emphases in trade-related development projects.<sup>31</sup> Using the same the methodology, we created clusters of words associated with exports and imports, and counted their appearance in all of the case stories (see Annex B).

Stories generally emphasized export performance rather than efficient imports. References to exports dominate imports by a ratio of more than 4 to 1 (see table in Annex B). To be sure, trade facilitation programmes that deal with border posts or infrastructure often reduce dead-weight costs on both sides of the trade balance. However, policy makers and donors certainly need to pay as much attention to importing efficiently – including reducing “shoot-yourself in the foot” tariffs and nontariff barriers – as they do to promoting exports. The good news is the story collection holds many examples of effective customs reforms that enhance the reformers’ competitiveness by importing more efficiently.

Performance outcomes, by this methodology, were more often focused on gender than poverty reduction. Counting words associated with poverty, incomes, employment, environment, gender and health indicated that authors in the stories were most interested in gender, which enjoyed references that were more than twice the next most frequently measured variable, environment. This may reflect the special effort of international organizations and donors to showcase their work on gender.<sup>32</sup>

### Gaps in quantitative measures of success?

Another noteworthy feature of the stories is the relative absence of quantitative benchmark indicators of performance in either number of outputs or in outcomes measured against carefully formulated baselines. To be fair, the original call for stories did not solicit this information, so it should not come as a surprise

that reporting on these benchmarks would be spotty. Moreover, many stories described projects that were just beginning or still under implementation (*e.g.*, Africa, 145; Africa 224; Dominica, 230; and Maldives, 240; to name a few); for these “early days” projects, one would not have expected reports of substantial results. That said, nearly all stories could have included more information on specific quantifiable measures of success. The fact that this finding has been noted in other more systematic evaluations lends credence to this concern.<sup>33</sup>

Moreover, none of the studies except Tunisia [130] report rigorous, state-of-the-art impact evaluation of trade interventions. Yet, Cadot, *et al.* (2011) argue that trade interventions *are* in fact amenable to the clinical impact evaluations that have become the norm in other areas of development assistance. Many of the interventions described in the case stories, be they technical

Table 4. Case stories with Quantitative Indicators of Results

Theme	Number of Case Studies	% of Case Studies with output	% of Case Studies with Outcome
Trade Facilitation	48	38%	19%
Infrastructure	14	64%	29%
Improving Policy	42	50%	14%
Building Capacity	66	45%	8%
Industrial Policy	47	43%	43%
Private Sector	52	44%	33%
<b>TOTAL</b>	<b>269</b>	<b>119</b>	<b>60</b>

Author	Number of Case Studies	% Case Stories with Output	% Case Stories with Outcome
Recipient Government <sup>a</sup>	107	46%	14%
Donor Government	71	49%	25%
United Nations <sup>b</sup>	54	35%	24%
Multilateral Development Banks	25	52%	44%
Private <sup>c</sup>	12	42%	33%
<b>TOTAL</b>	<b>269</b>		

Notes:

*a* Includes stories from regional economic communities and organizations

*b* Includes other international organizations

*c* Includes NGOs and un-affiliated authors

Source: OECD/WTO Case Story Database

assistance, export promotion, or programmes targeted at women entrepreneurs/traders, can be evaluated rigorously, provided that impact evaluation is part of programme design at the outset – and donors and beneficiaries are willing to commit the resources necessary to undertake the work.

The lack of quantitative benchmarks and evaluation techniques that is apparent in the case stories reflects the reality on the ground. As noted, many aid for trade projects lack benchmarks and quantitative indicators of success. Among those particularly deficient by this criterion were programmes at the global level in the several thematic areas, projects that emphasized narrow technical assistance and training, and those aimed at improving policy (Table 4).

According to a rough count, nearly half of stories contained quantitative indicators on outputs. That is, a capacity building project might indicate the number of people that were trained, or a standards project might enumerate the products covered. Still, it is problematic to draw a causal link from these interventions to trade, income increases, poverty reduction, gender or environment.<sup>34</sup> Far fewer of the case stories in the building capacity and improving policy thematic areas claimed that the activity produced specific quantitative outcomes attributable to the activity – roughly only 4%.<sup>35</sup> Even so, a larger literature on growth argues persuasively that it is the ever more productive use of factors that drives growth, so it stands to reason that investments in human capital represented in this collection of stories might be among the most important contributors to future trade-led growth and poverty reduction – even though precise measurements, especially at the project specific level in the near-term, are impossible to generate. Stories from the multilateral development banks tended to have a higher share of quantitative information on outcomes than the others.

Tracing the link between investments in capacity building and results in trade performance, reductions in poverty and gender inequality is virtually impossible. The same is true for projects that purport to improve inter-ministerial coordination or donor coordination. Even though they may ultimately be important<sup>36</sup>, rarely for this type of aid for trade is it possible to trace direct results to productive outcomes. Similarly, global programmes may well lead to new insights that motivate policy makers and private actors, and these in turn may lead to new policies that may in turn produce greater trade, rising incomes, improved gender equality and a better environment. IPRs may eventually provide dividends in terms of earnings to music and transitional knowledge and greater foreign direct investment – such as that Vietnam has reported [Vietnam, 96] – though the link between stronger IPRs and increased FDI has only been convincingly made to technology-intensive investments in middle income countries.<sup>37</sup> These case stories, to their credit, generally refrain from making sweeping claims. That said, developing a more quantitative and less impressionistic results framework – based on greater investments in gathering indicator data -- is a necessary objective.<sup>38</sup>

Taken together, these stories recount efforts throughout the developing world, and in virtually every important trade-related activity. The enormous breadth and volume of case stories elicited in response to the call from the OECD and WTO demonstrates that governments and donors alike are making trade a central pillar of their development concerns. The stories have provided a wealth of information -- information that this chapter could only begin to mine. Undoubtedly, there are many country issues and sub-themes that have received insufficient attention, and have to await further analysis. For this reason, the OECD and WTO see the case story exercise - and this initial exposition of findings -- as the beginning of a deeper process of learning, rather than an end.



## NOTES

- 1 This paper was written for the OECD by Liliana Foletti and Richard Newfarmer with a generous voluntary financial contribution from the European Commission, which is gratefully acknowledged. The project was managed by Frans Lammersen (OECD) and Michael Roberts (WTO). Helpful comments were received from Olivier Cadot, Jean-Jacques Hallaert, Bernard Hoekman, William Hynes, and Selina Jackson, The help of Maria Alvarez de Cozar, Deborah Barker, Susan Hodgson and Guannan Miao in managing the large volume of the case stories was indispensable. The authors gratefully acknowledged the generous in-kind support of the World Bank's Geneva office.
- 2 Brackets refer to the country location of the activity and case story number as in the Index in Annex C; the annex also contains indices by story author and by story number. Activities that pertain to all developing countries, such as studies, are shown as "Global".
- 3 For a comprehensive and thoughtful discussion of impact evaluation, see Abhijit Banerjee and Esther Duflo (2011) *A Poor Economics: A Radical Rethinking of Ways to Fight Global Poverty* London: PublicAffairs; for an application to aid for trade, see Olivier Cadot, Ana Fernandes, Julien Gourdon, and Aaditya Mattoo (2011) "Impact Evaluation of Trade Assistance: Paving the Way" World Bank draft, April 29.
- 4 See William Easterly and Ariell Reshef (2010) "African Export Successes: Surprises, Stylized Facts, and Explanations" National Bureau of Economic Research Working Paper 16597 <http://www.nber.org/papers/w16597> December.
- 5 In WTO (2006), the Aid for Trade Taskforce elaborated six areas, which map to the themes as follows: (1) trade policy and regulations, including training of trade officials, here captured under the theme "building capacity"; (2) trade development, including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development – theme "leveraging the private sector"; (3) trade-related infrastructure; (4) building productive capacity, the themes "undertaking industrial policies" and "leveraging the private sector"; (5) trade-related adjustment including supporting developing countries to put in place accompanying measures that assist them to benefit from liberalized trade is part of the theme "Policies"; and (6) other trade-related needs is part of all categories.
- 6 With the support from the Belgian government, United Kingdom Department for International Development (DFID), German Technical Cooperation (GTZ), International Monetary Fund, Rwanda Revenue Authority and World Bank
- 7 Methodological problems abound in studying this relationship: Association by itself does not demonstrate causality, and the better studies employed lagged variables and other techniques to strengthen conclusions. Much of the empirical literature on the relationship of infrastructure to trade is based on the "gravity model". These apply cross-country regression equations to bilateral trade among all trading partners, and take into account the volume of trade controlling for the size of the respective economies and the distance between them. For example, two large countries will obviously have a greater bilateral trade, all the more so if they are close to each other. The gravity model provides a way of controlling for expected trade levels and then measures the impact of other variables on trade volumes. These often constitute the basis for simulations: "if a country in a bottom percentile were to improve to a top percentile then the level of associated trade would be greater by an amount given in the gravity model."

- 8 They take as an infrastructure indicator four components: the density of rail road per square km, the density of road and of paved road per square km and the number of telephone mainlines per capita. The indicator has been widely used by other researchers to proxy for the quality of infrastructure cost and thus, the cost of transport and communication (See Carrère, C., (2006). "Revisiting the effects of regional trade agreements on trade flows with proper specification of the gravity model", *European Economic Review*, Vol. 50/2: 223- 247.)
- 9 See Ronald Fischer 2011 "Public- Private Partnerships in Rwanda: Lessons from Chile" International Growth Centre, February ([http://www.theigc.org/sites/default/files/presentation\\_slides/fischer\\_ppps.pdf](http://www.theigc.org/sites/default/files/presentation_slides/fischer_ppps.pdf))
- 10 The World Health Organization and the World Bank, working with other agencies, have mounted a major initiative on road safety. See *WHO and World Bank (2004) "World report on road traffic injury prevention"*
- 11 Winters, Alan L., (2004) "Trade Liberalization and Economic Performance". *The Economic Journal* 114: F4-F21. Oxford: Blackwell Publishing;; Winters, Alan L., McCulloch, Neil and McKay, Andrew, 2004. "Trade Liberalization and Poverty: The Evidence so Far". *Journal of Economic Literature*, Vol. 42, No. 1.
- 12 See Porto, Guido and Bernard Hoekman (2010) (eds.) *Trade Adjustment Costs in Developing Countries: Impacts, Determinants, and Policy Responses* London: CEPR and World Bank
- 13 World Bank (2006a), "*Mauritius - From Preferences to Global Competitiveness: Report of the Aid for Trade Mission*" World Bank, April; World Bank (2006b) "*Mauritius - Country Economic Memorandum*"
- 14 In Uganda, Hallaert *et al.* (2010) showed the importance of identifying the most binding constraints by comparing the trade reforms of the 1990s with the reforms of the 2000s. They argue that in the 1990s, the reforms were mainly limited to MFN tariff reforms and did not result in trade expansion and economic growth because they did not address the most binding constraints. This contrasts with the broader reforms of the 2000s, which were successful in leading to a sharp increase in trade and a significant export diversification. The most binding constraints to trade mainly derived from transportation, not so much the transport costs but delays and unpredictability at border crossing.
- 15 [http://www.wto.org/english/tratop\\_e/devel\\_e/build\\_tr\\_capa\\_e.htm](http://www.wto.org/english/tratop_e/devel_e/build_tr_capa_e.htm)
- 16 See Finger, M. and Schuler, P. (2004) *Poor People's Knowledge: Promoting Intellectual Property in Developing Countries* World Bank: Oxford University Press;; Maskus, K (2005). "The Role of IPRs in encouraging Foreign Direct Investment and Technology Transfer" in Carsten Fink and Keith Maskus (eds.) 2005, *Intellectual Property and Development Lessons from Recent Economic Research* World Bank: Oxford University Press;; Javorcik, Beata (2005) "The Composition of Foreign Direct Investment and Protection of IPRs: Evidence from Transition Economies" in Carsten Fink and Keith Maskus (eds.) 2005, *Intellectual Property and Development Lessons from Recent Economic Research* World Bank: Oxford University Press.
- 17 To be efficient and enhance incomes, the industry has to be able to survive without the protection (the Mill test) and the discounted present value of the gains compensate for the losses to consumers from the temporary protection (the Bastable test). Harrison and Rodriguez-Clare (2009) note that rarely in practice are these tests actually performed. The absence of these tests explains why "infant industries" benefitted from decades of protection until the 1990s.
- 18 See Rodrik, Dani 2004 "Industrial Policy for the 21st Century" CEPR Discussion Paper 4767 London. and Rodrik, Dani 2008 "Normalizing Industrial Policy" Commission on Growth and Development Working Paper 3. Washington. for the economic arguments; Robert Wade (2003) for the political economy arguments. Nolan and Pack (2003) and Pack and Saggi (2006) for critical reviews of the empirical underpinnings of Rodrik's interpretation of East Asia; Harrison and Rodriguez-Clare (2009) for a detailed review of the economics and empirical literature; and Lederman and Maloney (2010) for a more trade-focused review, and by implication Easterly and Reshef (2010) for Africa.

- 19 Rodrik, 2004 presents an annex of WTO-illegal industrial policies that he contends could in some situations be usefully employed.
- 20 See Richard Newfarmer, William Shaw and Peter Walkenhorst (eds.) 2009, *Breaking into New Markets: Emerging Lessons for Export Diversification* Washington: World Bank.
- 21 These programmes are not the subject of a case story, but are described in World Bank, (2009). *Unlocking Global Opportunities: the Aid for Trade Program of the World Bank*, Washington: World Bank.
- 22 Using data collected in an ex post survey, Gourdon, Marchat, Sharma and Vishwanat (2011) find that the programme significantly raised the treated firms' export performance, in particular in the case of service firms. However, in the case of manufacturing firms, Cadot, Fernandes, Gourdon and Mattoo (2011) find evidence over-diversification of beneficiary firms and lack of persistence of the effects.
- 23 Many of these lessons can be found in OECD (2008a) "Trade-related Assistance: What do Recent Evaluations Tell Us?" Paris: OECD; OECD (2008b): "Effective Aid Management: Twelve Lessons from DAC Peer Review", Paris, OECD; USAID (2010), *From Aid to Trade: Delivering Results – A Cross-Country Evaluation of USAID Trade Capacity Building*.
- 24 Islamic Development Bank, the World Bank, the European Bank for Reconstruction and Development, OPEC Fund, Kuwait Fund for Arab Economic Development, the Saudi Fund for Economic Development
- 25 USAID (2010) *From Aid to Trade: Delivering Results: A Cross Country Evaluation of USAID Trade Capacity Building* Washington: USAID November. The study also presents in an annex a commissioned study by David Bearce, Steven Finkel, and Anibal Perez-Linan "The Effects of US Trade Capacity Building Assistance on Trade-Related Outcomes, 1999-2008" September 2010; a USD 1 investment of total US government assistance to trade on average would increase exports USD 53. Other donors have undertaken similar evaluations; see, for example, OECD 2008; SIDA, 2009; Brusset *et al.* (2006) for the Netherlands, Cox and Hemon (2009) for DFID, World Bank (2005).
- 26 See Fengler, Wolfgang and Kharas, Homi (2010) eds. *Delivering Aid Differently – Lessons from the Field* Washington, DC: Brookings
- 27 Source: OECD-DAC Credit Reporting System (CRS) as at 02 March 2011
- 28 See Portugal-Perez, Alberto and Wilson, John, 2008. "Lowering Trade Costs for Development in Africa: A Summary Overview." Development Research Group, The World Bank.
- 29 See, *e.g.*, O. Cattaneo, M. Engman, S. Saez, and R. Stern (eds.), 2010. *International Trade in Services* Washington DC: World Bank.
- 30 For lengthier developments of this argument see Hoekman and Mattoo (2007) and Hoekman and Njinkeu (2010).
- 31 Claire Delpuech, Marie-Agnes Jouanjean, Alexandre Le Vernoy, Patrick Messerlin, and Thomas Oliac (2011) "Aid for Trade: A Meta-evaluation" Paper presented to the OECD Experts Meeting on Aid for Trade March 29, 2011 draft
- 32 In part, this may reflect selection bias owing to the efforts of the ITC in gender. The ITC held a conference on women in trade in 2010 based on a score of participants' case stories it had solicited from around the world.
- 33 See OECD, 2008 "Trade-related Assistance: What do Recent Evaluations Tell Us?" Paris: OECD. They write: Donors and partner countries should focus on achieving results. They should adopt a collaborative, results-based management approach, where clear, realistic and measurable programme objectives are defined and translated into expected outcomes and required activities, with timetables for implementation (including information on the sequencing of outputs) and costing.

- 34 Several donor evaluations have pointed this out. See for example, SIDA, 2009:12. OECD, 2008. Hallaert , Jean-Jacques, 2010. "Increasing the Impact of Trade Expansion on Growth: Lessons from Trade Reforms for the Design of Aid for Trade," OECD Trade Policy Working Papers 100, OECD Publishing
- 35 A story was considered reporting an outcome if it provided any numeric value one of 10 "performance" indicators: export increases, trade structure and regional integration; import efficiency; investment increases; poverty reduction; incomes increases; gender measures; employment; health and environment.
- 36 For the importance of international coordination, see, Raymond Saner, 2010 *Trade Policy Governance Through Interministerial Coordination: A Sourcebook for Trade Officials and Development Experts* Dordrecht: Republic of Letters
- 37 See M. Finger and P. Schuler (2004) *Poor People's Knowledge: Promoting Intellectual Property in Developing Countries* World Bank: Oxford University Press; Keith E, Maskus "The Role of IPRs in encouraging Foreign Direct Investment and Technology Transfer" and Beata Javorcik "The Composition of Foreign Direct Investment and Protection of IPRs: Evidence from Transition Economies" in Carsten Fink and Keith Maskus (eds.) 2005, *Intellectual Property and Development Lessons from Recent Economic Research* World Bank: Oxford University Press.
- 38 The World Bank has established a comprehensive "results framework" for aid for trade in its new Trade Strategy, identifying 15 different targets projected 5 to 10 years into the future. See World Bank, 2011 *Leveraging Trade for Development and Inclusive Growth: The World Bank Group Trade Strategy, 2011-2021*



## REFERENCES

- Arvis, J-F, Raballand, G., Marteau, J-F (2010), *The cost of being landlocked: logistics, costs, and supply chain reliability*. World Bank Publications. ISBN 0821384082, 9780821384084
- Banerjee, Abhijit and Duflo, Esther (2011) *A Poor Economics: A Radical Rethinking of Ways to Fight Global Poverty* London: PublicAffairs
- Berg, A. and Krueger, A. (2003). "Trade, Growth, and Poverty: A Selective Survey". Washington, D.C. International Monetary Fund, Working Paper WP/03/30.
- Brenton, Paul, Richard Newfarmer, William Shaw and Peter Walkenhorst (2009) "*Breaking into New Markets: An Overview*" in R. Newfarmer, W. Shaw and P. Walkenhorst (eds.) *Breaking into New Markets* Washington: World Bank
- Brenton, P. and von Uexkull, E. (2009). "Product specific technical assistance for exports – has it been effective?" *The Journal of International Trade & Economic Development: An International and Comparative Review*, 18(2), 235-254. doi:10.1080/09638190902916444
- Banerjee, Abhijit and Duflo, Esther (2011). "A Poor Economics: A Radical Rethinking of Ways to Fight Global Poverty", London: PublicAffairs
- Briceno-Garmendia, C., Estache, A. and Shafik, N., (2004) *Infrastructure Services in Developing Countries: Access, Quality, Costs, and Policy Reform*. World Bank Policy Research Paper No. 3468. Available at SSRN: <http://ssrn.com/abstract=643265>
- Brusset, E. *et al.* (2006). "Evaluation of Dutch Humanitarian Assistance in the Great Lakes region 2000 – 2005". Published by Channel Research under commission of the Netherlands Ministry of Foreign Affairs.
- Buys, Piet, Deichmann, Uwe, Wheeler, David (2010) "Road Network Upgrading and Overland Trade Expansion in Sub-Saharan Africa." *Journal of African Economies*, Oxford University Press, vol. 19(3), pages 399-432, June.
- Cadot, O.; A. Fernandes, J. Gourdon and A. Mattoo, (2011). "An Evaluation of Tunisia's Export Promotion Program" mimeo, The World Bank.
- \_\_\_\_\_, (2011), "Impact Evaluation of Trade Assistance: Paving the Way"; in O. Cadot, A. Fernandes, J. Gourdon and A. Mattoo, eds., *Where to spend the next million: Impact evaluation of trade interventions*; London/Washington: World Bank and CEPR, forthcoming.
- Cali, M. te Velde, and D. W. (2009), "Does aid for trade really improve trade performance?" processed; available at: <http://ssrn.com/abstract=1430492>.
- Carrère, C., (2006), "Revisiting the effects of regional trade agreements on trade flows with proper specification of the gravity model", *European Economic Review*, Vol. 50/2: 223- 247.
- Cattaneo, O., M. Engman, S. Saez, and R. Stern (eds.), (2010). *International Trade in Services* Washington DC: World Bank.
- Chauffour, J.-P., and Farole, T. (2009). "Trade Finance in Crisis: Market Adjustment or Market Failure?". Policy Research Working Paper 5003, The World Bank.

- Chauffour, Jean-Pierre and Mariem Malouche (eds.) 2011. *Trade Finance During the Great Trade Collapse*. Washington DC: World Bank.
- Cox, M. and Hemon, K. (2009). "Engagement in Fragile Situations: Preliminary Lessons from Donor Experience: A Literature Review". DFID, Evaluation
- Delpeuch, Claire Marie-Agnes Jouanjean, Alexandre Le Vernoy, Patrick Messerlin, and Thomas Oliac (2011) "Aid for Trade: A Meta-evaluation" Paper presented to the OECD Experts Meeting on Aid for Trade March 29, 2011 draft.
- Decreux, Yvan and Fontagne, Lionel, (2006). "A Quantitative Assessment of the Outcome of the Doha Development Agenda," Working Papers 2006-10, CEPII research center
- Djankov, S., Freund, C. and S. Pham Cong, (2010). "Trading on time", *Review of Economics and Statistics*, 92(1), 166-174
- Easterly, William and Reshef, Ariell (2010) "African Export Successes: Surprises, Stylized Facts, and Explanations" National Bureau of Economic Research *Working Paper* 16597 <http://www.nber.org/papers/w16597> December.
- Engman, Michael, (2005), "The Economic Impact of Trade Facilitation", OECD Trade Policy Working Paper No. 21, October, Paris, OECD Trade Directorate.
- Fengler, Wolfgang and Kharas, Homi (2010) eds. "Delivering Aid Differently – Lessons from the Field" Washington, DC: Brookings
- Fink, Carsten, Aaditya Mattoo, and Randeep Rathindran. 2002. "An Assessment of Telecommunications Reform in Developing Countries." World Bank Policy Research Paper 2909.
- Fischer, Ronald (2011) "Public- Private Partnerships in Rwanda: Lessons from Chile". (Prepared for the IGC Conference in Rwanda and can be found online at [http://www.theigc.org/sites/default/files/presentation\\_slides/fischer\\_ppps.pdf](http://www.theigc.org/sites/default/files/presentation_slides/fischer_ppps.pdf))
- Finger, M. and Schuler, P. (2004) *Poor People's Knowledge: Promoting Intellectual Property in Developing Countries*" World Bank: Oxford University Press.
- François, J. and Manchin, M. (2007) "Institutions, Infrastructures, and Trade," *World Bank Policy Research Working Paper* WPS4152. World Bank Group.
- Freund, Caroline L. and Weinhold, Diana, (2000). "On the effect of the Internet on international trade," International Finance Discussion Papers 693, Board of Governors of the Federal Reserve System (U.S.).
- Gourdon, J., J.-M. Marchat, S. Sharma, and T. Vishwanat (2011), Can Matching Grants Promote Exports? Evidence from Tunisia's FAMEX Program; in O. Cadot, A. Fernandes, J. Gourdon and A. Mattoo, eds., Where to spend the next million: Impact evaluation of trade interventions; London/Washington: World Bank and CEPR, forthcoming.
- Haddad, Mona (2009). "Trade Finance- Trade Development and Results from Firm Surveys", World Bank, presented at the BAFT Annual Conference on International Trade.
- Hallaert, J.J. (2009), "Boosting the availability of trade finance: A priority in the current crisis?" *Intereconomics*, vol. 44(5).
- Hallaert, J.J. (2010), *Increasing the Impact of Trade Expansion on Growth: Lessons from Trade Reforms for the Design of Aid for Trade*, Paris: OECD, Trade Policy Working Paper 100.
- Hallaert, J.J., R. Cavazos, and G. Kang (2011), *Estimating the Constraints to Developing Countries Trade – A Taxonomy of the Binding Constraints to Trade Expansion of Landlocked Countries, Small and Vulnerable Economies, and Commodity Exporters*, Study presented at the OECD Experts Workshop on "Aid for Trade Implementation," available at: [www.oecd.org/dataoecd/55/28/47428944.pdf](http://www.oecd.org/dataoecd/55/28/47428944.pdf).

- Harrison, A. and Rodriguez-Clare, A. (2009) "Trade, Foreign Investment, and Industrial Policy for Developing Countries." *Handbook of Trade Economics*.
- Hausmann, R., Hwang, J., and D. Rodrik (2007) "What You Export Matters." *Journal of Economic Growth*, 12:1-25.
- Hausmann, R. and D. Rodrik. (2003). "Economic development as self-discovery." *Journal of Development Economics*, 72: 603-633.
- Hausmann, R. and Bailey Klinger (2006) "Structural Transformation and Patterns of Comparative Advantage in the Product Space" CID Working Paper 128 August.
- Helble, M., C. Mann and J. Wilson (2009), "Aid for Trade Facilitation," Washington, D.C.: World Bank, Policy Research Working Paper 5064.
- Hoekman, Bernard and Aaditya Mattoo. (2007). "Regulatory Cooperation, Aid for Trade and the GATS," *Pacific Economic Review*, 12(4), 399-418.
- Hoekman, Bernard and Martin, Will & Mattoo, Aaditya, (2009). "Conclude Doha : it matters !," Policy Research Working Paper Series 5135, The World Bank.
- Hoekman, B. and A. Nicita, (2010). "Assessing the Doha Round: Market access, transactions costs and aid for trade facilitation", *The Journal of International Trade & Economic Development*, 19(1): 65-80.
- Hoekman, B. and A. Nicita, (2011). "Trade Policy, Trade Costs and Developing Country Trade," *World Development*, forthcoming (World Bank Policy Research Working Paper 4797).
- Hoekman, B. and D. Njinkeu. (2010). "Aid for trade and export competitiveness: New opportunities for Africa," in Export Supply Response Capacity Constraints in Africa. Nairobi: African Economic Research Consortium.
- Hoekman, Bernard and Wilson, John S. (2010) "Aid for Trade: Building on Progress Today for Tomorrow's Future" in S. Fardoust, Y. Kim and C. Sepulveda (eds.), *Post-Crisis Growth and Development: A Development Agenda for the G-20*. Washington DC: The World Bank. Hoekman, Bernard and Marcelo Olarreaga (eds.) (2005) *Global Trade and Poor Nations: The Poverty Impacts and Policy Implications of Liberalization*, Brookings Institution, Washington.
- Hoekman, Bernard and Olarreaga, Marcelo (eds.) (2007) *Impacts and Implications of Global Trade Reform on Poverty*, Brookings Institution, Washington DC.
- Hummels, David. (2001) "Time as a Trade Barrier". *Mimeo*, Purdue University. Time as a Trade Barrier GTAP Working Paper No. 18
- International Monetary Fund (2006) *Mauritius – Improving Social Sector Spending*. Fiscal Affairs Department.
- Javorcik, Beata (2005) "The Composition of Foreign Direct Investment and Protection of IPRs: Evidence from Transition Economies" in Carsten Fink and Keith Maskus (eds.) 2005, *Intellectual Property and Development Lessons from Recent Economic Research* World Bank: Oxford University Press.
- Karingi, Stephen. (2011) "Surmounting Africa's Trade Capacity Constraints: An Assessment of the Effectiveness of Aid for Trade". Publication: Presented at the Experts Meeting on AFT in Paris, and is based on work done for the Meeting An Expert Group Meeting on Aft held in Addis Ababa in June 2010 and two UNECA studies; Karingi and Leyaro (2010) and Spence and Karingi (forthcoming).
- Limão, Nuno and Venables, Anthony J. (2001) "Infrastructure, Geographical Disadvantage, Transport Costs, and Trade" 2001, World Bank Economic Review.
- Lederman, Daniel and William F. Maloney (2010) "Does What You Export Matter? In Search of Empirical Guidance for Industrial Policies" *Policy Research Paper*, September, World Bank Washington DC.
- Lederman, D., M. Olarreaga, and L. Payton. (2010) "Export Promotion Agencies: Do They Work?" *Journal of Development Economics*, 91(2), 257-65.



- Leipziger, Danny, Marianne Fay, Quentin Wodon and Tito Yepes, (2003), "Achieving the Millennium Development Goals: The Role of Infrastructure," *World Bank Policy Research Working Paper* 3163 (November).
- Maskus, K (2005). "The Role of IPRs in encouraging Foreign Direct Investment and Technology Transfer" in Carsten Fink and Keith Maskus (eds.) 2005, *Intellectual Property and Development Lessons from Recent Economic Research* World Bank, Oxford University Press.
- Mattoo, Aaditya (2003) *Services in a Development Round*, Trade Note 11, International Trade Department, The World Bank, Washington DC.
- Newfarmer, Richard, William Shaw and Peter Walkenhorst (eds.) 2009, *Breaking into New Markets : Emerging Lessons for Export Diversification*, The World Bank, Washington DC.
- Nordås, Hildegunn Kyvik and Piermartini, Roberta (2004). "Infrastructure and Trade". WTO Staff Working Paper No. ERSD-2004-04 . Available at SSRN: <http://ssrn.com/abstract=923507>
- Nolan, M. and Pack, Howard. (2003). "Industrial Policy in an Era of Globalization: Lessons from Asia". Institute for International Economics, Washington, DC.
- Organisation for Economic Co-operation and Development (OECD) (2004a) "Promoting SMEs for Development", report prepared for the 2nd OECD Conference of Ministers Responsible for SMEs.
- OECD (2004b) "Women's Entrepreneurship: Issues and Policies", report prepared for the 2nd OECD Conference of Ministers Responsible for SMEs.
- OECD (2006) "Aid for Trade: Making it Effective", OECD, Paris.
- OECD (2008a) "Trade-related Assistance: What do Recent Evaluations Tell Us?", OECD, Paris.
- OECD (2008b): "Effective Aid Management: Twelve Lessons from DAC Peer Review", OECD, Paris.
- Oka, Chikako. (2009) "Accounting for the Gaps in Labour Standard Compliance: The Role of Reputation-Conscious Buyers in the Cambodian Garment Industry". *European Journal of Development Research*, 22, 59-78; doi:10.1057/ejdr.2009.38;
- Pack, Howard and Kamal Saggi (2006) "Is there a Case for Industrial Policy? A Critical Survey" *World Bank Research Observer*, vol. 21, no. 2 (Fall 2006)
- Park, Mi-Hee & Koo, Won W., (2005). "Recent Development in Infrastructure and Its Impact on Agricultural and Non-agricultural Trade," Annual meeting, July 24-27, Providence, RI 19525, American Agricultural Economics Association
- Porto, Guido and Bernard Hoekman (2010) (eds.) *Trade Adjustment Costs in Developing Countries: Impacts, Determinants, and Policy Responses* London and Washington: CEPR and World Bank
- Portugal-Perez, Alberto and Wilson, John, (2008). "Lowering Trade Costs for Development in Africa: A Summary Overview." Development Research Group, The World Bank.
- Prowse, Susan. (2002). "The Role of International and National Agencies in Trade-Related Capacity Building," *World Economy* 25(9): 1235-1261.
- Prowse, Susan. (2006). "Aid for Trade: A Proposal for Increasing Support for Trade Adjustment and Integration," in S. Evenett and B. Hoekman (eds.), *Economic Development and Multilateral Trade Cooperation*. Washington DC: Palgrave-McMillan and World Bank.
- Ramirez M. T., Esfhani H. (2000) Infrastructure and Economic Growth. *Mimeo*, Bogota: Banco de la Republica de Colombia

- Reis, José Guilherme and Thomas Farole, (2010). "Exports and the competitiveness agenda: policies to support the private sector," in O. Canuto and M. Giugale (eds.) *The Day after Tomorrow: economic policy challenges for developing countries in the post-crisis world*, World Bank, forthcoming.
- Rodrik, Dani (2004) "Industrial Policy for the 21st Century" CEPR Discussion Paper 4767 London.
- Rodrik, Dani (2008) "Normalizing Industrial Policy" Commission on Growth and Development Working Paper 3. Washington.
- Saner, Raymond (2010), "Trade Policy Governance Through Inter-Ministerial Coordination. A Source Book for Trade Officials and Development Experts", Republic of Letters - Publishing, Dordrecht.
- Sida (2009) *Sida's Trade-Related Assistance: Results and Management*. Sida Evaluation 2009:1. Available at <http://www.sida.se/publications>
- Shepherd, Ben and Wilson, John S., (2009). "Trade facilitation in ASEAN member countries: Measuring progress and assessing priorities," *Journal of Asian Economics*, Elsevier, vol. 20(4), pages 367-383, September.
- Stone, Susan Anne, Strutt, Anna and Hertel, Thomas W., (2010) "Assessing Socioeconomic Impacts of Transport Infrastructure Projects in the Greater Mekong Subregion". ADBI Working Paper No. 234. Available at SSRN: <http://ssrn.com/abstract=1658335>
- Straub, S. (2008) "Infrastructure and growth in developing countries : recent advances and research challenges", Policy Research Working Paper Series 4460, The World Bank.
- UNCTAD (2006) *Aid for Trade: An UNCTAD perspective*. Available online at [http://www.unctad.org/sections/ditc\\_tncdb/docs/ditc\\_tncd\\_aid-for-trade\\_en.pdf](http://www.unctad.org/sections/ditc_tncdb/docs/ditc_tncd_aid-for-trade_en.pdf)
- USAID (2010), *From Aid To Trade: Delivering Results – A Cross-Country Evaluation of USAID Trade Capacity Building*."
- Volpe Martincus, Christian & Carballo, Jerónimo, (2008) "Is export promotion effective in developing countries? Firm-level evidence on the intensive and the extensive margins of exports," *Journal of International Economics*, Elsevier, vol. 76(1), pages 89-106
- Wade, Robert. (2003). "Governing the Market: Economic Theory and the Role of Government in East Asia's Industrialization" *Princeton University Press*
- Whalley, John (1999). *Building Poor Countries' Trade Capacity*". CSGR Working Paper No. 25/99
- World Health Organisation (WHO) and World Bank (2004) "World report on road traffic injury prevention. "
- Wheatley, W.P. and Roe, T.L.,(2005). "The effects of the internet on U.S. bilateral trade in agricultural and horticultural commodities". Providence, RI, USA.
- Wilson, J.S., C. Mann and T. Otsuki. (2005). "Assessing the potential benefit of trade facilitation: A global perspective" *The World Economy*, 28(6).
- Wilson, John S., Catherine L. Mann, and Tsunehiro Otsuki. (2005). "Assessing the Benefits of Trade Facilitation: A Global Perspective." *The World Economy* 28, no. 6 (June): 841–71.
- Winters, Alan L., (2004). "Trade Liberalization and Economic Performance". *The Economic Journal* 114: F4-F21. Oxford: Blackwell Publishing,
- Winters, Alan L., McCulloch, Neil and McKay, Andrew, (2004). "Trade Liberalization and Poverty: The Evidence so Far". *Journal of Economic Literature*, Vol. 42, No. 1.
- World Bank (2005) *Capacity Building in Africa: An OED Evaluation of World Bank Support*." Operations Evaluation Department, Washington, The World Bank
- World Bank (2006a), *Mauritius - From Preferences to Global Competitiveness: Report of the Aid for Trade Mission*" World Bank, April;

## REFERENCES

- World Bank (2006b) *"Mauritius - Country Economic Memorandum"* Washington: World Bank
- World Bank (2009). *"Unlocking Global Opportunities: The Aid for Trade Program of the World Bank Group"*. Washington DC: World Bank.
- World Bank, (2011) *"Leveraging Trade for Development and Growth: The World Bank Growth Trade Strategy"*, 2011-2021.
- WTO (2006), *Recommendations of the Task Force on Aid for Trade*. WT/AFT/1.  
Available at: [http://www.wto.org/english/tratop\\_e/dda\\_e/implementing\\_par57\\_e.htm](http://www.wto.org/english/tratop_e/dda_e/implementing_par57_e.htm)

## ANNEX A

METHODOLOGY FOR CLASSIFYING  
CASE STUDIES

In response to the all for case stories, respondents sent in stories to the OECD and WTO. These were entered in a data base and given a number. Then the analysis team read the study and then identified the country, sub-region or region, in which the activity took place. General studies covering all aid for trade activities with no particular country or region were labelled global. The country and number in brackets in the text refers to the country of the project and its number in our data base. All submissions were then allocated each into one of six general themes:

1. Lowering trade costs through trade facilitation programmes
2. Investing in infrastructure to lower the cost of inputs
3. Reforming policy to revamp incentives, remedy coordination failures, or enhance strategy
4. Building capacities within governments to better conduct trade policy
5. Undertaking industry-specific pro-active policies to promote trade
6. Leveraging the private sector to development exports, promote SMEs, and women's activities

This in some cases required judgments because the content of some could have arguably been placed in more than one theme. Authorship was established according to the institutional affiliation of the author.

Stories were then tagged with indicators of having reported outputs and outcomes. A story was considered reporting an output if it mentioned quantitative indicators associated with the project, for example, number of people trained, number of ministries coordination or number of meetings held. Projects that reported work on changing a law were also denoted as having registered an output. A story was considered reporting an outcome if it provided any quantitative value associated with any one of 10 "performance" areas: export increases, trade structure and regional integration; import efficiency; investment increases; poverty reduction; incomes increases; gender measures; employment; health and environment.

Even though the cut-off deadline was officially January 31, in fact the team considered all case stories received before March 15.

### Theme breakdown

1. Lowering trade costs through *trade facilitation* programmes
  - a. Trade facilitation strategies
  - b. Customs reform and border crossing
  - c. Regional projects and corridors
  - d. Global and regional programmes (*e.g.* studies & guides)
2. Investing in *infrastructure* to lower the cost of inputs and services (including in sub-regions)
  - a. Roads
  - b. Ports
  - c. Power
  - d. Other
  - e. Global and regional programmes (*e.g.* studies & guides)
3. *Reforming policy* to revamp incentives, support adjustment, enhance strategy, and adopt international standards
  - a. Adjustment programs (tariff and NTBs reform)
  - b. National development strategies
  - c. Standards projects
4. *Building capacities* within governments to better conduct trade policy, negotiate trade agreements, and implement trade-related rules and laws
  - a. EIF
  - b. Creating knowledge capacities
  - c. TA to ministerial coordination and mainstreaming
  - d. Creating negotiating capacity
  - e. Improving capacity to implement laws *e.g.*, Intellectual Property Rights
  - f. Global and regional programmes (*e.g.* studies & guides)
5. Undertaking *pro-active industry-specific policies* to up-grade quality or promote trade diversification
  - a. Projects dealing with specific activities in industry or agriculture
6. Leveraging the *private sector* through trade finance, export promotion, and skill-up-grading for SMEs and women traders
  - a. Trade finance
  - b. SMEs
  - c. Women entrepreneurs

## ANNEX B

DISCERNING EMPHASIS:  
METHODOLOGY FOR CONCEPT COUNTS

The word searches were made by counting the number of mentions of keywords that are divided into clusters. The keyword mentions within a cluster are then added. Because there are case stories written in English, Spanish and French, we have included the words in all three languages. We further divide the cluster into two components: Trade Policy and Trade Performance Outcomes.

The words and their classification are the following:

TRADE VARIABLES		TRADE-RELATED OUTCOME					
Import	Export	Poverty	Income	Employment	Gender	Environment	Health
Import	Export	Poverty	Income	Employment	Women	Environment	Health
Imports	Exportacion	Pobreza	Salario	Jobs	Mujeres	Ambiente	Salud
Importaciones	Exportaciones	Pauvrete	Salaire	Empleo	Femmes	Environnement	Sante
Importations	Exportation		Ingreso	Empleos	Girls	Clean	Disease
Tariff	Exports		Ingresos	Emploi	Filles	Limpio	Enfermedad
Arancel	Diversification		Revenu	Emplois	Ninas	Pollution	Maladie
Arancelario	Diversificacion		Revenus	Sme	Gender	Contaminacion	
Aranceles				Pyme	Female	Organic	
Quota				Msme		Organico	
Tbt						Organicos	
Ntb						Organique	
						Organiques	

NUMBER OF MENTIONS IN THE OECD CASE STORY DATABASE (269 STORIES)									
Trade Variables			Trade-related Outcome						
Author	Import	Export	Poverty	Income	Employment	Gender	Environment	Health	Total
Recipient Government <sup>a</sup>	136	629	138	66	76	245	108	96	1 494
Donor Government	109	459	81	141	112	241	174	42	1 359
UN <sup>b</sup>	107	567	122	69	166	644 <sup>d</sup>	287	76	2 038
MDB	81	189	13	13	43	36	40	6	421
Private <sup>c</sup>	31	146	34	18	17	271	28	5	550
<b>Total</b>	<b>464</b>	<b>1 990</b>	<b>388</b>	<b>307</b>	<b>414</b>	<b>1 437</b>	<b>637</b>	<b>225</b>	<b>5 862</b>

Notes:

a Includes stories from regional economic communities and organisations

b Includes other international organizations

c Includes NGOs and un-affiliated authors

d Includes 15 case stories from the ITC that deal exclusively with gender and Aid for Trade



## ANNEX C INDEX OF CASE STORIES BY CASE STORY REFERENCE NUMBER

No	Author	Country/Region	Title
1	AfDB	West Africa	NEPA-CEB Interconnection Project
2	ECDPM/CTA (Center for Agricultural and Rural Cooperation)	Caribbean	Trade and production adjustments in ACP countries - lessons from the EC supported Caribbean Rum Program
3	Mexico	Central America	Mesoamerican integration and development project/International Network of Mesoamerican Highways
4	Malawi	Malawi	National Development and Trade Policy Forum Project
5	Montserrat	Montserrat	EC Funded Project on ASYCUDA
6	Mongolia	Mongolia	How to facilitate trade facilitation by implementing MNSW
7	Nigeria	Nigeria	Strategic Trade facilitation action plan for Nigeria
8	ADB	Asia and Pacific	ADB TFP
9	ADB	Asia and Pacific	ADB's GMS East West Corridor
10	ADB	Kyrgyz Republic and Kazakhstan	Almaty-Bishkek Regional Rehabilitation Program
11	ADB	Asia and Pacific	TA to Build Trade Policy Capacity
12	Azerbaijan	Azerbaijan	AFT case story
13	Benin	Benin	<i>Projet multinational de diffusion du riz nERICA</i>
14	Benin	Benin	<i>Projet d'Appui au développement des filières halieutiques sur le lac Ahème</i>
15	Botswana	Southern Africa	Customs modernization and Trade Facilitation towards the SADC Customs Union Project
16	Brazil	South America	Exporta Facil
17	Kenya	Kenya	Call for Aid for Trade Case
18	Burundi	Burundi	<i>Projet sur les huiles essentielles</i>
19	Cameroon	Cameroon	<i>Stratégies sectorielles sur la banane plantain et le manioc</i>
20	Caribbean Export Development Agency	Caribbean	Caribbean Export Development Agency
21	Central African Republic	Central African Republic	<i>Renforcement des capacités de production: cas sésame</i>
22	Commonwealth	Global	The EDF Funded Commonwealth Secretariat Trade Policy Formulation, Negotiation, and Implementation (Hub and Spokes) Project



No	Author	Country/Region	Title
23	Caribbean Rum Sector Program	Caribbean	Caribbean Rum Sector Program
24	CARICOM	Caribbean	The Establishment of CAHFSA and a regional SPS
25	CARICOM	Caribbean	The Caribbean AFT and Regional Integration Trust Fund: A mechanism for delivering AFT support to CARICOM and CARIFORUM states
26	Congo (Rep.)	Congo (Rep.)	Projet de renforcement des capacités commerciales et entrepreneuriales
27	Sékou BERETE	Guinea	Présentation d'un Cas d 'Expérience
28	Comoros	Comoros	Programme de Renforcement des services du commerce et de l'investissement et soutien a un environnement incitatif pour le secteur privé
29	ADB	Fiji	Fiji Ports Development project
30	Brazil	Africa	Brazilian Cooperation Agency of the Ministry of External Relations
31	ECDPM	Caribbean	Lessons from the Sugar Protocol Adjustment measures programme in the Caribbean
32	Universidad de Chile	Chile	Pymexporta
33	UEMOA	Africa	Projet de renforcement de capacités en matière de commerce "Hub and Spokes"
34	Commonwealth	Global	Assessing the effectiveness of AFT
35	Czech Republic	Moldova	Concrete Instruments Supporting SME Sector in Rep. of Moldova
36	Congo (Dem. Rep. of)	Congo (Dem. Rep. of)	Présentation d'un Cas d 'Expérience
37	SECO	West Africa	The Empowerment of Western and Central African Cotton Procedures: A sectoral approach on Cotton
38	EBRD	Eastern Europe	EBRD Business Advisory Services Program
39	EBRD	Eastern Europe	EBRD Trade Facilitation Programme: Results from the survey of participating banks
40	ECOWAS	West Africa	L'élaboration du programme de l'APE pour le Développement
41	ECOWAS	West Africa	Exports Promotion & Enterprise Competitiveness for Trade (ExPECT) Initiative
42	ECOWAS	West Africa	Gap Analysis of the ECOWAS Trade Liberalization Scheme
43	Ecuador	Ecuador	Construcción de la Política Nacional de Logística (PNL) como Instrumento para la Facilitación del comercio exterior
44	Ecuador	Ecuador	Transporte Terrestre de carga en pasos de frontera (TTPF)
45	Gambia	Gambia	The Implementation of the West African quality programme in the Gambia
46	Lisa Fancott, for ITC	Africa	ACCESS! Export training for women entrepreneurs in Africa
47	UNECA	Africa	ATPC as AFT in Action on Gender Issues
48	Marylin Carr	Africa	AFT: Building capacities for linking women with export markets
49	TradeMark	Africa	Negotiating the COMESA-EAC-SADC- Tripartite FTA

No	Author	Country/Region	Title
50	Commonwealth Secretariat	Commonwealth	Capacity Building in gender and Trade
51	CGIAR	Global	CGIAR Gender and Diversity Programme Reaps Benefits for CGIAR globally
52	Plan International	Global	Empowering more women in trade paradigms
53	UN	India	Strategies and Preparedness for Trade and Globalization In India
54	CCGD Kenya	East Africa	Gender and Trade Mechanisms in East Africa: The Customs Union
55	SADC	Southern Africa	Gender mainstreaming: the experience of SADC and lessons learned
56	UNCTAD	India	Gender sensitization of trade policy
57	Rwanda	Rwanda	Gender Dimension in AFT
58	Benita Sharma	India	SEZ's and its Impact on Women Workers in the Garment Manufacturing Industry in Andhra Pradesh
59	Norway	Mozambique	A New Chapter in the Development of Mozambique's Oil and Gas sector
60	Business Advisory Services Enterprise Uganda	Uganda	Integrating Gender into the National Export strategies: A case for Uganda
61	UNEP	East Africa	East African Organic Products Standard
62	DMT Consultants	Uganda	Talking to the Target makes all the difference
63	UNIFEM	Africa	Women Informal Traders Transcending African Borders
64	Grameen Bank	Bangladesh	Women's Economic Empowerment... Bangladesh
65	Ghana	Ghana	Case study on Ghana's national medium term private sector development strategy
66	German Development Institute	East Africa	Establishing a Regional Quality Infrastructure in the East African Community
67	Grenada	Grenada	Improving the Quality of Fishery Products for Exports
68	Chinese Taipei Technical Mission	Honduras	Oriental Vegetable Project in Honduras
69	IDLO	Africa	WTO Aid for Trade Case Story
70	Indonesia	Indonesia	Artificial Insemination of dairy cattle
71	Indonesia	Indonesia	Indonesia Enterprise and Agricultural Development Activity (SENADA)
72	Indonesia	Indonesia	ER-RI trade Support program
73	ITC	Global	Market Analysis Tools and Capacity Building for LDCs
74	Islamic Development Bank	Azerbaijan	Silk Road Project Azerbaijan
75	ITC	Ethiopia	Ethiopia Coffee Quality Improvement Project
76	ITC	Africa	Ethic Fashion: not charity, just work
77	ITC	Uganda	AFT and export performance: a business perspective

No	Author	Country/Region	Title
78	JICA	Cambodia	The development study on the institutional strengthening of investment promotion
79	Korea	Cambodia	The Project for Capacity Building in the Trade in Goods and Services for Cambodia
80	UN	Mali	<i>Vers un agenda commun de l'Agriculture et de l'Aide pour le commerce pour la Gestion Durable des Terres (GDT) : L'expérience du Mali</i>
81	Mauritius	Mauritius	(AFT in Mauritius)
82	WTO Chair	Morocco	<i>Aide au Commerce: quels enjeux pour le deuxième programme marocain des routes rurales?</i>
83	Niger	Niger	<i>Projet d'assistance technique destine a promouvoir le commerce de services</i>
84	OAS	Caribbean	Professional Masters in International Trade Policy
85	ODI	Global	AFT and Blended Finance
86	New Zealand	Pacific	Recognized Seasonal Worker Programme
87	Senegal	Senegal	Renforcement des capacités nationales a s'adapter aux marches
88	B & J Partners	Sierra Leon	Programme: Support to cash crop (cocoa and coffee) production
89	China	China	Small famers in Global Markets
90	Australia	Solomon Islands	Solomon Islands Cocoa Livelihood Rehabilitation Project
91	SIDA	Sri Lanka	Quality Infrastructure in Sri Lanka
92	Kenya	East Africa	Establishing a Centre of Phytosanitary Excellence (COPE)
93	UN	Sudan	The Sudan EPA Negotiations and Implementation Support (SENIS) Project
94	Suriname	Suriname	Improving the trade facilitation environment in Suriname
95	SIDA	Africa	Trade Policy Training Centre in Africa (Trapca)
96	SECO (Switzerland)	Viet Nam	Promoting the Use of IP in Viet Nam as a tool to Foster Trade
97	UNECA	Ethiopia	The African Trade Policy Centre (ATPC) as an Aid for Trade (AFT) Case Story
98	ISF	Nicaragua	Tierra Nueva
99	Togo	Tonga (Kingdom of)	Tonga: A tale of TA
100	Global Mechanism	Uganda	Towards a common Agenda on AFT and Agriculture for SLM: the experience of Uganda
101	UNCTAD	Honduras	Capacity Building in Developing Countries and LDCs to support their effective participation in the WTO negotiations process on trade facilitation -
102	UNCTAD	East Africa	International Partnership for Sustainable Development: Promoting production and trade of organic agricultural products in East Africa
103	UNCTAD	Uganda	The BioTrade Initiative Programme
104	UN	Africa	Econometric Evidence of the Effectiveness of Aid for Trade in Addressing Trade Binding Constraints in Africa
105	UNIDO	Morocco	The UNIDO Export Consortia Programme: The Case of Morocco

No	Author	Country/Region	Title
106	German Development Institute	Zambia / COMESA	The EU's Joint Aid for Trade Strategy - Opportunities and Challenges for coordination. The case of Zambia and COMESA
107	Zimbabwe	Zimbabwe	Chirundu One Stop Border Post: a regional trade facilitation program
108	Secretaria de Economia (MX)	Central America	<i>El Proceso de Convergencia de los TLCs entre Mexico y Centroamerica para Establecer un Acuerdo Unico</i>
109	China	Lao	Overall Plan for Comprehensive Development of Northern Area in Laos
110	Gabon	Gabon	<i>L'appropriation de l'Aide pour le Commerce</i>
111	UNIDO	Global	Trade Capacity Building in UNIDO: Supporting AFT through organizational change
112	UNIDO	Global	How to make private standards work for developing country exporters - UNIDOS's Guide
113	UNIDO	Global	TCB in UNIDO: Supporting AFT through the publication of the TCB Resource Guide 2008 & 2010
114	Mexico	Mexico	Agenda Nacional para la Competitividad
115	UNIDO	Sri Lanka / Pakistan	How Laboratory Business and Exports can grow Hand in Hand
116	NORAD	Uganda	Strengthening women entrepreneurs in Uganda
117	IADB	Latin America and Caribbean	Trade Finance Reactivation Program
118	CIDA	Guatemala	Entrepreneurial development of cooperative federations
119	CIDA	Southern Africa	Program for building African capacity for trade
120	IaDB	Latin America and Caribbean	The Mesoamerica Project
121	IaDB	Guatemala	FINPYME ExportPlus
122	IaDB	Latin America and Caribbean	International Transit of Goods (TIM)
123	Chile	Chile	Coaching Exportador
124	Chile	Chile	<i>Fortalecimiento de la Gestión Comercial e Institucional de EXPORTA El Salvador</i>
125	World Bank	Cambodia	Women entrepreneurs in Cambodia
126	World Bank	Cambodia	Labor Standards in Cambodia
127	World Bank	Lesotho	WB Lesotho Improving skills
128	World Bank	Ghana	WB
129	World Bank	East Africa	East Africa Trade and Transportation Facilitation Project
130	World Bank	Tunisia	WB
131	World Bank	Mauritius	WB
132	Angola	Angola	Case Story
133	Chinese Taipei	Guatemala	Peten Papaya Export Project in the Republic of Guatemala
134	WIPO	Namibia	A Tree and traditional Knowledge: a Recipe for Development
135	Norway	Tanzania	The Tanga-Pemba submarine cable

No	Author	Country/Region	Title
136	Peru	Peru	<i>Alianza Público-Privada y Biodiversidad: La Cadena de la Maca en Perú</i>
137	Peru	Peru	<i>Impacto de la incorporación del comercio en la estrategia de desarrollo del Perú</i>
138	Peru	Peru	<i>Desarrollo de Asociaciones de Exportación de Artesanos Textiles del Cusco: equidad de género, emprendimiento e inclusión en el desarrollo comercial.</i>
139	Cambodia	Cambodia	Trade Diversification after the Global Financial Crisis: Cambodian Rice Export Policy Case Story
140	Trademark/DFID	Zimbabwe/Zambia	Improving Service Delivery and Reducing Clearing Times at Chirundu Border Post
141	TradeMark/DFID	Mozambique	Maintaining the Fisheries Sector's Access to the EU Market in Mozambique
142	TradeMark/DFID	Africa	Establishing a Regional Non-Tariff Barrier Reporting and Monitoring Mechanism
143	Jamaica	Jamaica	Jamaica's National Export Strategy
144	TradeMark/DFID	Southern Africa	Revamping the Regional Railway Systems in Eastern and Southern Africa
145	TradeMark/DFID	Africa	The COMESA-EAC-SADC Tripartite and Transport Facilitation Programme
146	PWC	Global	Creating an Engine for Growth and Development - Export Credit Agency
147	ODI	West Africa	AFT and trade related adjustment - economic partnership agreements
148	Trademark SA	South Africa	Establishing an Managing a Regional Aid for Trade Programme
149	Trade Mark SA (DFID)	South Africa	North-South Corridor Roads
150	Lesotho	Lesotho	Lesotho: Aid For Trade Needs
151	AUSAID	Indonesia	Case Story: Australian Fumigation Accreditation Scheme
152	AUSAID	Indonesia	Case Story: The Cocoa Supply Chain in Indonesia
153	ICTSD	Caribbean	Caribbean Aid for Trade and Regional Integration Trust Fund (CARTFund)
154	Finland	Zambia	Aid for Trade Case Story on The Integrated Framework (IF)/Enhanced Integrated Framework (EIF) Process In Zambia
155	Lao	Lao	(Trade Development Facility )
156	Costa Rica	Costa Rica	FDI Attraction and Participation in Global Value Chains
157	Costa Rica	Costa Rica	Trade Opening as a Key Element of the Development Agenda
158	UNDP	Pakistan	Community Empowerment through Livestock Development and Credit Project (CELDAC)
159	ECDPM	Egypt	Traceability of agro-industrial products for the European market
160	Malawi	Malawi	Business Environment Strengthening TA
161	Malawi	Malawi	Integrated Framework Project
162	STDF	Global	Promoting Agri-Food Exports that Meet International Sanitary and Phytosanitary (SPS) Requirements: The Role of Multi-Stakeholder Partnerships

No	Author	Country/Region	Title
163	JICA	South East Asia	Truck Movement without transshipment along EW corridor
164	WB/WCO/France	Cameroon	Cameroon Customs reform: "gazing into the mirror".
165	ODI	Global	AFT and trade related adjustment in the context of climate change
166	WCO	Ethiopia	customs reform and trade facilitation
167	World Bank	Global	EGS Case Story
168	OAS	Latin America / Caribbean	Trade Capacity Building Program for the Implementation and Administration of Trade Agreements
169	OAS	Caribbean	Strengthening the Official Sanitary System of Agricultural Goods for Export Markets in CARICOM
170	OAS	Caribbean	Caribbean Intellectual Property (IP) Value Capture Export Strategy
171	Zambia/Finland	Zambia	The Chirundu one stop border post
172	WIPO	Lao	International Success of Laotian Beer
173	WIPO	Jordan	Evolving toward IP-fuelled Innovation
174	Norway	Tanzania	Support to the development of the Southern Agricultural Growth Corridor of Tanzania Investment Blueprint
175	US	Africa	USAID regional trade facilitation implemented by the African trade hubs
176	AUSAID	Pacific Islands	The Australia pacific technical college (aptc)
177	Belize	Belize	Completing Belize's Aid-for-Trade Strategy
178	Spain	Honduras	Development of fishing capacities in the gulf of fonseca; coalition of municipalities of the south of Honduras, -nasmar-.
179	Spain	Morocco	Support for technical industrial centers; sidi maarouf, morocco.
180	CUTS	Zambia	Zambia's Aid for Trade: A case of the EIF
181	Jamaica Business Development Corporation	Jamaica	Productive Integration of Micro-Enterprises in Jamaica: Increasing the Competitiveness of Micro – Enterprises in the Craft and Agro-processing Sub-sectors
182	Jamaica	Jamaica	Commonwealth Hubs and Spokes Project: Building the Capacity of ACP Countries in Trade Policy Formulation, Negotiations and Implementation
183	Switzerland	Colombia	Economic success through resource efficient and cleaner production (RECP)
184	Switzerland	Mozambique	Strengthening the Competitiveness of Export Oriented Agro Value Chains Cashew Nut Value Chain in Mozambique
185	Germany	Indonesia	Value Chain Promotion in the Rattan Furniture Sub-Sector in Indonesia
186	Germany	Kyrgyzstan	Three-Party South-South Cooperation: Using Senegalese Knowledge and Experience to Improve Trade Administration Systems in Central Asia
187	Germany	Cote d'Ivoire	Introducing Rainforest Alliance Certification to Cocoa Production in Côte d'Ivoire
188	Trinidad y Tobago	Guadeloupe	Case Story Aid for Trade Global Review 2011: Trinidad and Tobago Services Trade Mission to Guadeloupe and Martinique
189	WCO	Macedonia (FYR)	

No	Author	Country/Region	Title
190	Ethiopia	Ethiopia	(AFT in Ethiopia)
191	Spain	Global	Capacity building and human capital training course for the administrative units in charge of trade facilitation in countries targeted by enhanced integrated framework programmes
192	Islamic Development Bank	Central Asia	ITFC trade facilitation programme: lessons learned from the aid for-trade (aft) road map for the united nations special programme for the economies of central Asia (speca)
193	ITC	Global	modular learning system – supply chain management
194	EU	Rwanda	Support to the Agriculture Sector in Rwanda (2003-2010)
195	EU	Vietnam	Multilateral Trade Assistance Project III (EU-Vietnam MUTRAP III)
196	Fiji	Fiji	Case Story on Fiji's Competent Authority
197	Argentina	Bolivia	<i>Sistema de Control Sanitario en Centros de Faenamiento, Transporte Comercialización de Productos Cárnicos</i>
198	Argentina	Peru	<i>Asistencia técnica y capacitación a empresas del sector lechero de la Región Arequipa/Puno</i>
199	Argentina	Nicaragua	<i>Formación de Formadores en Artes y Útiles de Pesca Artesanales</i>
200	Antigua	Antigua	The Caribbean Rum Programme: The Case of Antigua Distillers Ltd.
201	US	Global	The Importance of Monitoring and Evaluation to Trade Capacity Building Program Effectiveness
202	BFTI	Bangladesh	Successes and Failures of the TBSP
203	Spain	Latin America and Caribbean	Distance learning course and on-site workshop on negotiations of international investment agreements for Latin American and Caribbean countries.
204	SACAU	Southern Africa	A Case Study on SACAU's support to Southern African Delegates in International Plant Protection Convention (IPPC) Attendance
205	WTO	Global	The WTO Trade Policy Review Mechanism: Aid for Trade
206	Kazakhstan	Kazakhstan	Presentation of the representative of the Ministry of Economic development and trade of the Republic of Kazakhstan on implementation of the Aid for Trade initiative: "Road map for the SPECA countries"
207	EU	Caribbean	Caribbean Trade and Private Sector Development Programme (CTPSD) – Phase II Caribbean Export Component
208	Bangladesh	Bangladesh	Quality Support Export Diversification Program
209	EU	Cameroon	<i>Appui à la filière café du Cameroun</i>
210	ITC	Africa	African cotton development initiative
211	DFID	Burundi	Changing Incentives – Revenue Growth in Burundi
212	Switzerland	Tanzania	The Impacts of Certification for Sustainable Production on Coffee Producers in Tanzania: An application of the Committee on Sustainability Assessment (COSA) Harmonized Methodology for Impact Analysis in the Coffee Sector
213	IADB	Latin America and Caribbean	<i>El desafío y la importancia de las reglas de origen en la agenda de política comercial</i>

No	Author	Country/Region	Title
214	Denmark	Uganda	African Organic
215	Denmark	Ghana	Food and Drugs Board
216	Bangladesh	Bangladesh	Support to Bangladesh RMG Sector in post MFA
217	Belgian Investment Company for Developing Countries	Vietnam	Expansion Project of a private company
218	Belgium	Global	Trade for Development Centre – Producer Support Programme
219	Botswana	Botswana	Trade and poverty programme
220	Burkina Faso	Burkina Faso	<i>Projet de renforcement des capacités en formulation, négociation et mise en œuvre des politiques commerciales " hub &amp; spokes"</i>
221	Burkina Faso	Burkina Faso	<i>Fonds de soutien à coûts partagés pour le développement de l'entreprise</i>
222	WTO	Cape Verde	Cape Verde Case Story
223	USAID	Central America	CAFTA-DR Sanitary and Phytosanitary Trade Capacity Building Program
224	CEN-SAD	Africa	Expérience CENS-SAD en matière d'aide au commerce
225	Chad	Thad	<i>Filière cuir</i>
226	Colombia	Colombia	<i>Certificado Origen Digital</i>
227	Colombia	Colombia	<i>Proyecto Asistencia Técnica Comercio</i>
228	Croatia	Croatia	Rijeka Zagreb Motorway
229	Vasudave Daggupaty	East Africa	Assessing Transport Trade Facilitation
230	Dominica	Dominica	Topic: Asycuda World Implementation
231	INDOTEL	Dominican Republic	(INDOTEL)
232	US	Vietnam	Supporting Vietnam's Legal and Governance Transformation
233	El Salvador	El Salvador	(FOMILENIO)
234	ESCWA	Asia	Strengthening capacities in the Economic and Social Commission for Western Asia region to negotiate bilateral investment treaties
235	ESCWA	Asia	Networking of Expertise on Foreign Direct Investment for ESCWA Member Countries
236	UN	Global	Improving Global Road Safety Setting Regional and National Road Traffic Casualty Reduction Targets
237	ESCWA	Asia	Technical Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development in the Countries of the ESCWA Region
238	ESCWA	Asia	EDGD Transport
239	WCO	Uganda	The use of the WCO Time Release Study to measure border performance in a landlocked developing country (Uganda)
240	Maldives	Maldives	(IF web-based information system)
241	ECSWA	Asia	EDGD trade and transport
242	ECSWA	Asia	EDGD ministerial conference
243	Fiji	Fiji	Sugar Industry



No	Author	Country/Region	Title
244	Fiji	Fiji	Trade Policy Framework
245	Guyana	Guyana	National Competitiveness Strategy (NCS): Trade Transactions £Action Plan
246	Haiti	Haiti	<i>Projet d'automatisation du système douanier (SYDONIA WORLD)</i>
247	Honduras	Honduras	Supporting competitiveness reform in Honduras
248	Tanzania	Tanzania	The impact of business sector programme support (BSPS iii) on Tanzania business sector performance
249	ICTSD	Africa	Priority needs for technical and financial cooperation of LDCs: £the ICTSD experience (2005-2011)
250	STDF	Global	Measuring the Performance of National Sanitary and Phytosanitary Systems
251	IICA	Latin America	Initiative for the Americas
252	IICA	Latin America	Sustainable institutional capacity building in the countries of the Americas to consolidate active participation in the sps committee and move forward with implementation of the wto/sps agreement
253	IICA	Latin America	Strengthening the national agricultural health and food safety services via the application of IICA's Performance, Vision and Strategy (PVS) tool
254	Madagascar	Madagascar	<i>Programme d'appui aux exportations</i>
255	Madagascar	Madagascar	<i>Programme de renforcement des capacités dans les négociations internationales (PRC)</i>
256	Netherlands	Global	Sustainable trade initiative
257	New Zealand	Samoa	Women in Business Development Incorporated
258	OECS	Caribbean	The Hub Spokes Project: Lessons in Best Practices for Donor Support for Trade Capacity Building
259	OECS	Caribbean	Institutional Capacity Building for Trade Policy – Lessons in Sustainability
260	ADB	Mongolia	Mongolia Customs Modernization Project
261	Singapore	Asia and Pacific	Regional Training Institute
262	Singapore	Asia and Pacific	Regional Trade Policy Course
263	Singapore	Global	Singapore Cooperation Program
264	St. Vincent and the Grenadines	St. Vincent and the Grenadines	St. Vincent and the Grenadines' Tourism Development Project
265	ACTT-CN	Africa	<i>Appui Institutionnel à l'Autorité de Coordination du Transport de Transit du Corridor Nord (ACTT-CN) par la Banque Africaine de Développement (BAD)</i>
266	UEMOA	Africa	<i>Projet de stratégie régionale de mise en œuvre du programme d'aide pour le commerce de l'UEMOA</i>
267	Trademark/DFID	Africa	Improving Service Delivery and Reducing Clearing Times at Beitbridge Border Post

No	Author	Country/Region	Title
268	STDF	Global	Using Economic Analysis to Inform Sanitary and Phytosanitary Decision-Making
269	Nepal	Nepal	Aid-for-Trade and mainstreaming

