



WORLD TRADE
ORGANIZATION

Roberto AZEVÉDO
Director-General

30 OCT 2014

Dear Mr Chairman,

**Re: Open Letter to the Chairman of the EIF Board Ambassador Getahun:
To be Presented at the EIF Board Meeting on 30 October**

As a core EIF partner agency, and the institutional home to the Executive Secretariat for the EIF, the WTO lends its unwavering support for the continuation of the EIF partnership and programme.

The EIF is the only global trade and development partnership for the LDCs linking all LDCs, donors and international organizations. It therefore holds a unique place in the global aid-for-trade architecture. There is no other programme which is as comprehensive as the EIF in supporting LDCs to address all aspects of their trade capacity – and which, significantly, puts the LDCs themselves in the driver's seat. The support that the EIF provides helps to create job and income opportunities for millions of people in the poorest countries in the world.

It is for these reasons that the EIF has strong support among WTO Members. The LDCs have on several occasions called for the EIF to be extended beyond its current phase with an expanded mandate and increased resources. Moreover, the entire WTO Membership cited the EIF as an important aid-for-trade channel and/or coordination mechanism in three of the decisions taken at the 9th Ministerial Conference last year (the ministerial decision on cotton, the Trade Facilitation Agreement and the ministerial decision on the operationalization of the LDC services waiver).

I welcome the findings of the draft evaluation, and the WTO agrees with most of the elements identified therein. I am pleased to endorse the conclusion that the EIF remains highly relevant and important to address the trade needs of LDCs.

The evaluation also highlights areas for improvement, including on governance and operations, and this is something which I believe should be taken seriously. EIF stakeholders have a real opportunity to use the evaluation as a platform to make the partnership more effective, efficient and sustainable as well as more able to adapt to the changing realities of the broader trading environment. Efforts should focus on continuing to streamline procedures and processes, strengthen ownership, implementation and delivery efforts, while also considering how to incorporate additional aspects pointed out by the evaluation, such as the role of the private sector, regional integration and Global Value Chains. Moreover, we should look to increase the effectiveness of the EIF to ensure that donors feel confident that they are getting value for money.

In my view, these changes can be accomplished without creating an entirely new mechanism. Indeed, I think that we should seek to avoid the unnecessary costs and disruption that such an overhaul might bring – particularly as this could lead to a loss in momentum for LDCs who have made considerable progress to date. Rather, the EIF should continue in its current form but in a way that demonstrates its willingness and capacity to make necessary changes so that it is better equipped to support LDCs in future. In other words, I would like to see a continuation of the EIF with reform in certain key areas. As to how to move this forward, I think that, with our support, the Executive Secretariat for the EIF should be empowered to lead this process.

A major area highlighted as a concern in the evaluation is funding. It is important that donors that are committed to maintaining the EIF as a core element of their aid-for-trade strategies start thinking about resource mobilisation. I urge donors to ensure that adequate resources will be made available, firstly, to see the EIF through the transition from the current phase to the new phase and, secondly, to provide the necessary resourcing for the new phase.

In this second phase, I would like to see the EIF grow into a stronger, more efficient programme. It must be ready to face up to the challenges and recommendations put forward in the evaluation so that it can do more to help LDCs achieve their development vision. But this is not something that the EIF can do alone. It has always been a partnership. We worked together to create the IF and then to develop it into the EIF. Now the WTO stands ready to work with the other partners to strengthen the EIF for the future.

Yours sincerely,



Roberto Azevêdo

H.E. Mr. Minelik Alemu GETAHUN
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