



Supporting development and building trade capacity

- Over 18,400 participants benefited from the WTO's training activities in 2016, aimed at helping government officials to gain a better understanding of WTO agreements and the multilateral trading system.
- Disbursement of Aid for Trade reached US\$ 39.8 billion in 2015, the highest amount for a single year.
- A commemorative event was held in November 2016 to mark the 100th session of the Committee on Trade and Development.

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Background on supporting development and building trade capacity

The WTO aims to help developing countries build their trade capacity and allows them a longer time to implement trade agreements. Hundreds of training courses are organized each year for officials from developing countries.

Trade and development

Support for developing countries lies at the heart of the WTO's activities. Much of the work in this area is coordinated by the Committee on Trade and Development, which commemorated its 100th session in 2016.

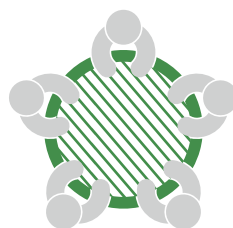
In 2016, the Committee on Trade and Development (CTD) continued its discussion of duty-free and quota-free (DFQF) market access for least-developed countries (LDCs). In November, the CTD conducted an annual review, based on a WTO Secretariat report, of steps taken by members to provide DFQF access. At the same meeting, the Committee considered a revised submission by Benin, on behalf of the LDC Group, concerning the draft terms of reference for a Secretariat study on DFQF implementation. Benin indicated that consultations with WTO members will continue.

WTO members considered a number of proposals submitted under the mandate from the WTO's 8th Ministerial Conference in 2011 for the Committee to undertake focused work on the link between trade and development. In response to a proposal by Ecuador, the WTO Secretariat updated its report on the implementation of special and differential treatment (S&D) provisions in WTO agreements and decisions. Such provisions range from increasing trade opportunities for developing countries and LDCs to granting longer transition periods for the implementation of WTO agreements and providing technical assistance.

A commemorative event to mark the 100th session of the CTD was held in November 2016 under the theme "current and future perspectives on trade and development". WTO members and representatives from other international organizations and academia reflected on how trade has evolved since the Committee held its first meeting 20 years ago. They also discussed what needs to be done to ensure that trade continues to support developing countries in the future.

Background on trade and development

The Committee on Trade and Development is the focal point for the coordination of all work on trade and development issues in the WTO. The Committee deals with a variety of issues, including all developmental issues, technical cooperation and training, and notifications under the Enabling Clause, which allows developed countries to give more favourable treatment to developing countries.



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The Committee on Trade and Development held its 100th session in 2016.

"It is a milestone for the CTD, for the WTO, and for the broader trade and development community," Director-General Roberto Azevêdo said in an address. "This is a time for reflection — and it is a time to be ambitious. We should look at what more the WTO can do to ensure more people can use trade as a tool for development," he added.

The Committee held two dedicated sessions on the monitoring mechanism on special and differential treatment. The mechanism, agreed at the 9th Ministerial Conference in Bali in 2013, acts as a focal point within the WTO to analyse and review the implementation of S&D in WTO agreements and decisions. In sessions dedicated to regional trade agreements (RTAs), WTO members considered the agreements between MERCOSUR (the Southern Common Market) and India, and between Mauritius and Pakistan.

The Committee received a report on the 50th session of the Joint Advisory Group (JAG) of the International Trade Centre (ITC). The JAG is the policy-making body of the ITC, the trade promotion agency for developing countries jointly sponsored by the WTO and the United Nations Conference on Trade and Development (UNCTAD). The ITC's work focuses on assisting small and medium-sized enterprises in developing countries.

Market access

In 2016, the Committee received notifications under the Enabling Clause (see page 88) concerning the generalized system of preferences (GSP) schemes of Norway and the United States. GSP schemes allow developed countries to grant preferential tariffs to imports from developing countries. In addition, a notification was circulated by China providing updated information on its DFQF Programme for LDCs.





On RTAs, notifications under the Enabling Clause were made concerning the Arab Mediterranean Free Trade Agreement (Agadir Agreement) between Egypt, Jordan, Morocco and Tunisia, the agreement between the Dominican Republic and Panama, and the accession of Afghanistan to the South Asian Free Trade Agreement.

In 2016, an external evaluation of the WTO's trade-related technical assistance was carried out (see page 137). Regular updates on the status of the evaluation were provided to the CTD by Norway, on behalf of the Steering Committee of the evaluation. A CTD meeting was held in early 2017 to consider the report as well as the WTO Secretariat's response.

Technical cooperation and training

The Committee took note of the 2015 report on technical assistance and training. The WTO Secretariat undertook 269 technical assistance activities in 2015, both in Geneva and elsewhere. Overall, 15,000 participants were trained during the year, an increase of 2 per cent compared with 2014 (see page 134).

In October 2016, 23 government officials from LDCs in Africa, Asia and the Pacific took part at the WTO in a course entitled "enhancing LDC participation in the multilateral trading system". The objective of the course was to deepen participants' understanding of the trade and development issues being discussed at the WTO. The course focused on issues of priority to LDCs, such as DFQF market access, preferential rules of origin, the LDC services waiver (see page 75) and technical assistance initiatives available to LDCs.

WTO hosts UN session on LLDCs

In June, the WTO hosted a United Nations session on helping landlocked developing countries (LLDCs) benefit from trade. Director-General Roberto Azevêdo attended the meeting of trade ministers together with Gyan Chandra Acharya, UN Under-Secretary-General and High Representative for LDCs, LLDCs and Small Island Developing States (UN-OHRLS). The event was jointly organized by the WTO and UN-OHRLS to discuss how trade can help LLDCs achieve their development goals.

DG Azevêdo told the meeting that capacity-building work through the WTO's Aid for Trade initiative can be particularly beneficial to LLDCs and that implementing the Trade Facilitation Agreement will be crucial in reducing delays in transit that can have a significant effect on LLDCs. "We expect that, when fully implemented, the Agreement could reduce trade costs in LLDCs by over 15 per cent on average," he said.



In June, the WTO hosted a UN session on helping landlocked developing countries to benefit from trade.

Least-developed countries

In 2016, the Sub-Committee on Least-Developed Countries (LDCs) continued its examination of systemic issues of interest to LDCs. The review of market access for LDCs was a core part of its deliberations. LDCs presented their “roadmap” for post-Nairobi work on LDC issues. The Sub-Committee monitored WTO technical assistance activities for LDCs as well as progress in LDC accessions to the WTO. It considered reports from the LDC Group Coordinator on the Istanbul Programme of Action for the LDCs and the UNCTAD 14 conference.

Market access for LDCs

Market access for LDCs was a central element of the discussions in the three meetings of the Sub-Committee on LDCs in 2016. The WTO Secretariat presented its yearly report on trends in LDC trade and market access and briefed the Sub-Committee on developments in preferential rules of origin in the Committee on Rules of Origin (see page 65).

Background on least-developed countries (LDCs)

The Sub-Committee on LDCs was established in July 1995 as a subsidiary body to the Committee on Trade and Development to address issues of interest to LDCs. Since the Doha Ministerial Conference in 2001, the Sub-Committee has focused on the implementation of the WTO work programme for LDCs, which looks at a number of systemic issues of importance to them, such as market access, technical assistance and accession to the WTO.

Growth in the value of LDC merchandise exports has been constrained by unfavourable developments in the prices of primary commodities since 2011. The share of LDCs in world merchandise exports fell to below 1 per cent in 2015, and the LDCs' collective merchandise trade deficit widened to US\$ 87 billion. The trend was more positive in services, where tourism helped the LDCs to sustain positive export growth and increase their share in world services exports to 0.8 per cent.

The LDCs expressed concern about the 24 per cent decline in LDC goods exports in 2015 and the widening trade deficit. They highlighted the importance of implementing effective duty-free and quota-free (DFQF) market access and called on WTO members to continue the implementation of the Nairobi decision on preferential rules of origin to make it easier for LDC exports to qualify for preferential market access. In services, LDCs said they were encouraged by the fact that 23 members had notified commitments on preferential treatment for services and services suppliers from LDCs under the LDC services waiver (see page 75).

The Sub-Committee also considered a WTO Secretariat note giving a factual compilation of progress made in the implementation of ministerial declarations and decisions in favour of LDCs. The LDCs expressed their interest in further analytical work on the issue.

Technical assistance and capacity building

The Sub-Committee regularly monitors the progress of WTO trade-related technical assistance provided to LDCs as well as other capacity-building initiatives in which the WTO is involved. The WTO Secretariat assigns priority to LDCs in the delivery of its technical assistance (see page 134).

LDCs benefited from over 50 per cent of all technical assistance activities in 2015. LDCs, especially from Africa, were also among the biggest users of WTO e-learning courses, providing a third of participants in 2015. LDCs expressed appreciation for assistance products geared to their needs, such as internship programmes at the WTO and at LDC missions, as well as for two LDC-specific courses on services trade statistics and development issues held at the WTO in 2016.



The Executive Secretariat of the Enhanced Integrated Framework (EIF), which helps LDCs use trade as a vehicle for development, updated the Sub-Committee on the status of work under Phase Two of the EIF Programme (see page 130). Highlighting the importance of the EIF for their development, the LDCs encouraged development partners to continue supporting the EIF.

The secretariats of the EIF and the Standards and Trade Development Facility (see page 132) presented the key findings of a joint study on sanitary and phytosanitary (SPS) issues in diagnostic trade integration studies (see page 130), which help countries identify constraints to trade. The study underlines the importance of maintaining linkages between agriculture and trade ministries and the need to enhance national capacities to implement SPS policies.

Accession of LDCs to the WTO

The WTO Secretariat briefed members on accession working parties involving LDCs (Bhutan, Comoros, Equatorial Guinea, Ethiopia, Sudan, and Sao Tomé and Príncipe) as well as on post-accession support. The LDCs called on WTO members to provide capacity-building support to acceding LDCs.

Two LDCs, Afghanistan and Liberia, officially became members of the WTO in 2016 and accession negotiations were initiated for two other LDCs, Somalia and Timor-Leste, in December 2016 (see pages 25-6). Currently, eight LDCs are in the process of joining the WTO.

LDC Group retreat

The LDC Group held a retreat in April 2016, with the participation of Director-General Roberto Azevêdo. Following the retreat, the Group submitted its post-Nairobi priorities to the Sub-Committee in June. These priorities will serve as a "roadmap" for the Group's engagement in post-Nairobi work at the WTO.

LDC Group Coordinator Ambassador Eloi Laourou (Benin) emphasized the need for effective implementation of the decisions taken in favour of LDCs, including on preferential treatment for LDC services, DFQF market access and preferential rules of origin. Priority issues also include domestic support (subsidies) in agriculture, including cotton, fisheries subsidies and special and differential treatment for LDCs.

Under China's LDCs and Accessions Programme, the LDC Group engaged with other developing countries and international agencies in dialogue on LDCs and development in Annecy, France, in September 2016. Reporting to the Sub-Committee on the meeting, the LDC Coordinator said that the meeting had reviewed the evolving trends in cooperation between developing countries in trade, aid and investment.

Istanbul Programme of Action and UNCTAD 14

A mid-term review of the United Nations' Istanbul Programme of Action (IPoA) for the LDCs for 2011-2020 was held in Antalya, Turkey, in May 2016. The IPoA aims at helping LDCs overcome structural challenges in order to eradicate poverty and enable their graduation from the LDC category. The WTO Secretariat organized a side-event at the conference, which provided an opportunity to inform the UN community on how developments on LDC issues in the WTO contribute to the goals of the IPoA.

The LDC Group Coordinator drew the attention of the Sub-Committee to specific trade and investment measures recommended by the mid-term review to help LDCs achieve the objectives of the IPoA. These include doubling the share of LDCs in global exports to 2 per cent by 2020. Recommended measures include a call for donor countries to allocate 0.2 per cent of their gross national income as official development assistance to LDCs.

The review further emphasized the importance of the WTO as a global forum for trade rules and governance and urged the LDCs and their development partners to make use of WTO decisions, including on DFQF market access and preferential rules of origin, as well as Aid for Trade.

The LDCs also reported on the outcomes of the UNCTAD 14 conference held in Nairobi in July 2016. UNCTAD members agreed to strengthen the focus of UNCTAD on the trade and development needs of LDCs across all areas of its mandate and to continue UNCTAD's work on DFQF market access, rules of origin, the LDC services waiver, cotton and accessions. The LDCs underlined the importance of coordinated efforts between the WTO and UNCTAD to contribute towards achieving the UN's Sustainable Development Goals (SDGs).

Assistance for the cotton sector

In 2016, two rounds of the Director General's Consultative Framework Mechanism on Cotton reviewed cotton-specific assistance and other assistance related to the cotton sector such as infrastructure-support programmes.

In October 2016, DG Azevêdo took part in the Ministerial Meeting of the Cotton-4 group of West African cotton-producing countries (Benin, Burkina Faso, Chad and Mali), which took place in Bamako, Mali. He paid tribute to the Cotton-4's efforts to defend their interests and highlighted in particular the active role played by Mali as coordinator of the group. DG Azevêdo stressed the importance of continuing to work towards the reform of the cotton sector so that the Cotton-4 countries can compete on fair terms in international markets.

The latest data on cotton-specific development assistance show active commitments of US\$ 281 million, of which US\$ 100 million has been disbursed. Commitments on agriculture and infrastructure-related development assistance increased to US\$ 4.1 billion, of which US\$ 1.9 billion has been disbursed.

Beneficiaries of cotton development assistance continued their efforts to implement reforms in their cotton sectors. Nevertheless, speaking for the “Cotton Four” countries — Burkina Faso, Benin, Chad and Mali — whose economies largely rely on cotton exports, Ambassador Thiam Diallo of Mali said that the continuous downward pressure on global cotton prices and high production costs were having adverse consequences on the cotton sector in Africa.

Small economies

The Committee on Trade and Development carried out ministerial instructions to examine the impact of WTO rules on small, vulnerable economies (SVEs) and the trade-related constraints they face. It continued work on the challenges and opportunities SVEs experience in linking into global value chains. During dedicated sessions in 2016 on issues raised by SVEs, the Committee also began work on the challenges small economies experience in reducing trade costs.

Small, vulnerable economies are those WTO members that account for only a small percentage of world trade. WTO members recognize that these economies, while not forming an official sub-category of members, face specific challenges due to their size and the distances that can separate them from their key trading partners.

The Committee on Trade and Development took note of a revised compilation paper in which the WTO Secretariat detailed progress made on proposals submitted by SVEs since 2002. These include proposals made by SVEs in the Doha Round negotiating groups and in other WTO bodies, mainly regarding agriculture, industrial goods, services, rules (including fisheries subsidies) and trade facilitation.

The 10th Ministerial Conference in 2015 in Nairobi agreed that the Committee continue its work in dedicated session on the challenges and opportunities experienced by small economies when linking into global value chains in trade in goods and services. They also asked the WTO Secretariat to examine the challenges which small economies experience in their efforts to reduce trade costs, particularly in the area of trade facilitation.

Background on small economies

The Committee on Trade and Development – in dedicated session – oversees work on small economies and monitors the progress of proposals from small, vulnerable economies in the various WTO bodies and negotiating groups. Small economies are mainly but not exclusively small island states.

Ministers reaffirmed their commitment “to continue to address in every area of WTO work, in a substantive and meaningful manner, the needs of small, vulnerable economies (SVEs) and to favourably consider the adoption of such measures as would facilitate their fuller integration into the multilateral trading system”. Ministers said they would take into account the needs of SVEs in all areas of negotiations, without creating a sub-category of WTO members.

Dedicated sessions

Three dedicated sessions were held in 2016. At the session on 9 March, members continued to discuss the WTO Secretariat research paper, “Challenges and Opportunities experienced by Small Economies when linking into Global Value Chains in Trade in Goods and Services”. It examined the paper’s chapters on global value chains in the textiles and clothing sector and heard from experts about recent trends and examples of small economies successfully integrating their exports into value chains.

The paper shows that by specializing in specific tasks or stages within the value chain, small economies can, to a certain extent, mitigate their lack of economies of scale and realize economic benefits. Global value chains can help small economies diversify their exports away from primary commodities to manufacturing and services. However, this is by no means an automatic process, it adds.

At the session on 12 July, members addressed value chains in the tourism sector and heard presentations from the International Trade Centre (ITC), the UN World Tourism Organization, USAID, the Guatemalan Institute for Tourism and the South Pacific Tourism Organization.

Members discussed the challenges and opportunities related to building a sustainable tourism sector and shared national experiences. Besides its direct contributions to the economy, tourism yields indirect benefits through government spending on infrastructure, domestic purchases of goods and services and investment flows. In addition, there are linkages with agriculture, fisheries, construction, utilities and telecommunications. Tourism has already played a vital role in helping members like Cabo Verde, the Maldives and Samoa graduate from least-developed country (LDC) status.

On 4 November, members focused on how small economies can benefit from integrating into services value chains, especially in information technology and business process outsourcing, which include call centres and accounting, and logistic and maritime transport services. Presentations were made by the United Nations Conference on Trade and Development (UNCTAD) and the ITC as well as representatives from Panama, Jamaica, Sri Lanka and Guatemala.

At their last session of 2016, members also agreed to a proposal by the SVE group that the Secretariat conduct research on the challenges small economies experience in their efforts to reduce trade costs, especially in trade facilitation (see page 72).

Aid for Trade

The Committee on Trade and Development adopted the 2016-2017 Aid for Trade work programme on promoting connectivity. Disbursements of Aid for Trade reached US\$ 39.8 billion in 2015, the highest amount for a single year. The WTO and the Organisation for Economic Co-operation and Development launched the 2016 Aid for Trade monitoring and evaluation exercise, which aims to review Aid for Trade priorities in advance of the Global Review of Aid for Trade, to be held at the WTO on 11-13 July 2017.

Aid for Trade financing

Total disbursements of Aid for Trade since 2006 have reached US\$ 298 billion in official development aid. A further US\$ 248 billion has been provided in other official flows (development finance provided to developing countries but not at rates considered official development assistance).

Data from the OECD show that overall Aid for Trade disbursements reached US\$ 39.8 billion in 2015, the highest for a single year (see Figure 1). Total commitments climbed by US\$ 5.4 billion to US\$ 53.9 billion between 2014 and 2015, the latest year for which figures are available.



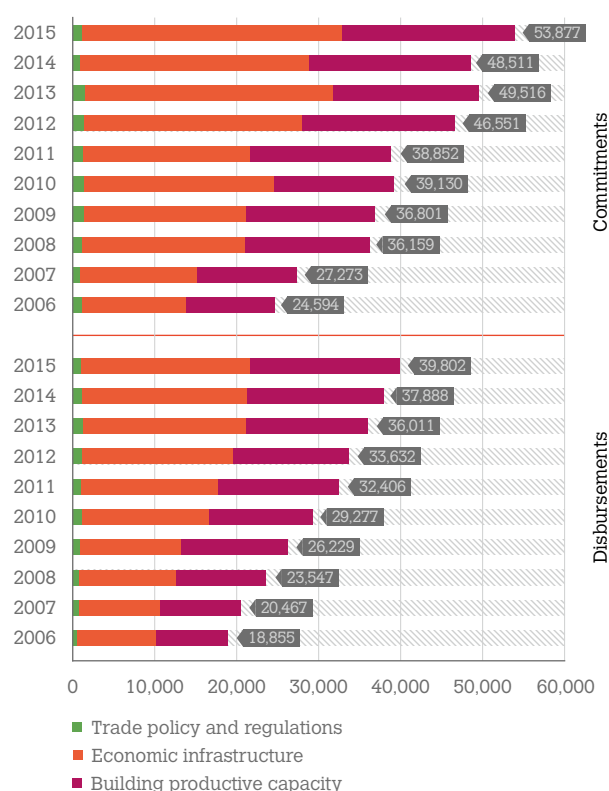
39.8 billion

Disbursements of Aid for Trade reached US\$ 39.8 billion in 2015, the highest amount for a single year.

Background on Aid for Trade

WTO members launched the Aid for Trade initiative at the Sixth Ministerial Conference in Hong Kong in 2005. Aid for Trade focuses on supporting developing countries, particularly the least-developed, in building trade capacity, enhancing their infrastructure and improving their ability to benefit from trade-opening opportunities.

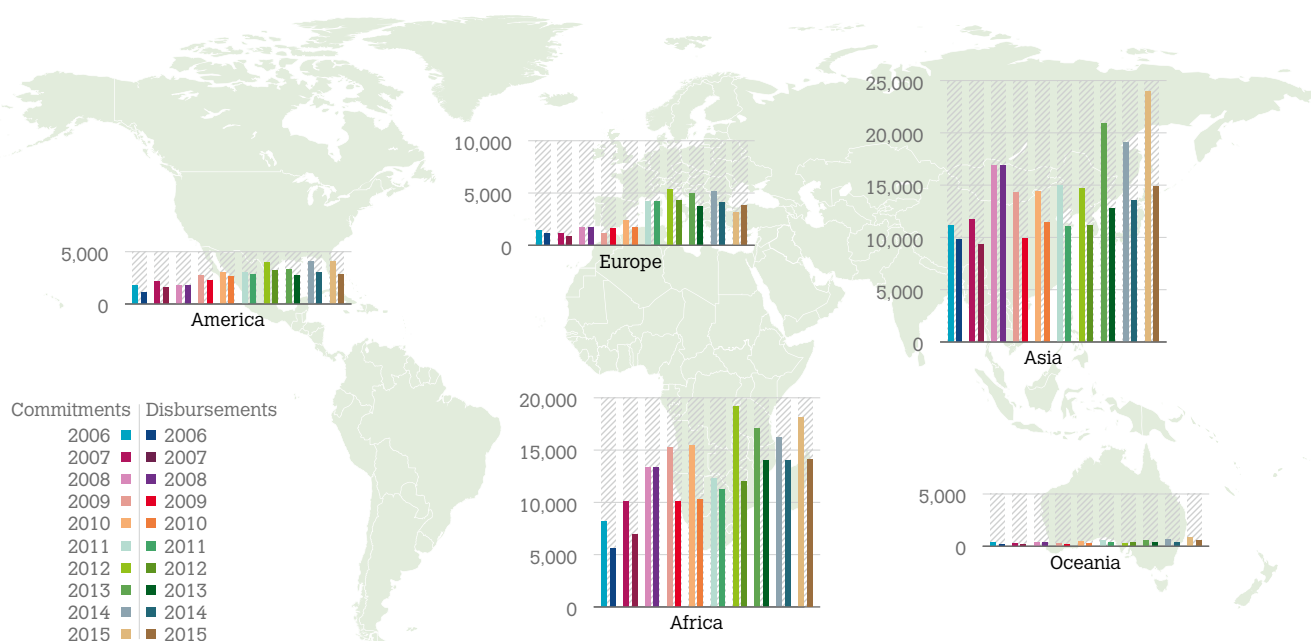
Figure 1: Aid for Trade commitments and disbursements in US\$ million (2015 prices) by category



Source: OECD-CRS, Creditor Reporting System

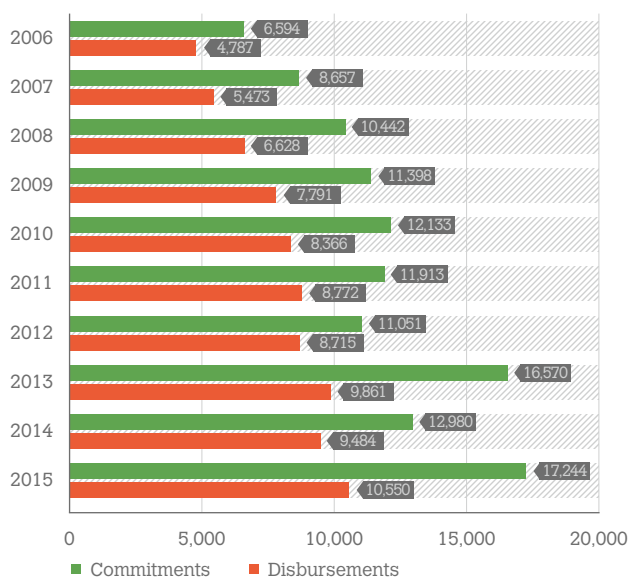
Disbursements increased for Africa, Asia and Oceania (see Figure 2). Disbursements to least-developed countries (LDCs) increased by US\$ 1.1 billion to US\$ 10.6 billion in 2015 (see Figure 3). This is the highest level of disbursements to LDCs for a single year.

Figure 2: Aid for Trade commitments and disbursements by region in US\$ million (2015 prices)



Source: OECD-CRS, Creditor Reporting System

Figure 3: Aid for Trade commitments to LDCs in 2006-15 in US\$ million (2015 prices)



Source: OECD-CRS, Creditor Reporting System

Promoting connectivity

A key message from the Fifth Global Review of Aid for Trade in 2015 was that high trade costs, such as tariff and non-tariff barriers, transport costs and exchange rate costs, create a substantial obstacle for developing countries seeking to connect to global markets – with LDCs, landlocked developing countries and small, vulnerable economies the most affected.

The 2016-17 Aid for Trade work programme aims to help developing countries connect to export markets so that they can fully exploit their potential. The programme, which was launched in February 2016, builds on the results of the Fifth Global Review.

The work programme will deepen analysis of how high trade costs inhibit the integration of developing countries into global value chains and restrict their economic development. The programme will include cross-cutting activities on empowering women, upgrading infrastructure for developing countries, e-commerce, and micro, small and medium-sized enterprises (MSMEs). These activities will culminate in the Global Review, scheduled for 11-13 July 2017, whose theme is “Promoting Trade, Inclusiveness and Connectivity for Sustainable Development”.



In May, a joint World Bank/WTO forum was held at the WTO on how to ensure that the poor gain from trade.

Committee on Trade and Development

The Committee on Trade and Development held three sessions on Aid for Trade, in February, May and October. At each session, WTO members reviewed the implementation of the work programme.

In 2016, the World Bank, the Asian Development Bank, the African Development Bank and the United Nations Industrial Development Organization (UNIDO) updated WTO members on implementing Aid for Trade activities and mobilizing resources.

In October, Benin, on behalf of the LDC Group, and China reported on the “South-South Dialogue on LDCs and Development”, held in September in Annecy, France. Benin said the event had reviewed the evolving trends in cooperation between developing countries in the areas of trade, aid and investment and it had discussed the priority issues for LDCs.

Thematic events

Two Aid for Trade thematic events were held in 2016. In May, a joint World Bank/WTO forum was held on the theme of “connecting to trade: policies and programmes for maximizing poverty reduction impact”.

The forum was a follow-up to the WTO-World Bank co-publication “The Role of Trade in Ending Poverty”, launched by DG Azevêdo and World Bank President Jim Yong Kim in June 2015. It discussed various dimensions of trade and poverty, including employment, rural poverty, gender inequality, cross-cutting challenges and the related impact of trade measures.

A second event – on “promoting connectivity: the services dimension” – focused on services and the digital divide (the gap between those with ready access to computers and the Internet and those without). The workshop discussed the need to address poor regulatory environments which hinder the development of competitive service sectors.

Monitoring and evaluation

DG Roberto Azevêdo and OECD Secretary-General Angel Gurría launched the 2016 Aid for Trade monitoring and evaluation exercise (M&E) in July 2016. Its aim is to review Aid for Trade priorities and to assess how Aid for Trade is contributing to the achievement of the Sustainable Development Goals, notably the targets on poverty eradication and women’s economic empowerment.

By the end of 2016, 101 WTO members and observers had taken part in the exercise. A total of 110 questionnaires and 145 case stories had been submitted by partner countries, regional economic communities and donors. The exercise also attracted the participation of the private sector, academia and civil society.

The information collected will be analysed and presented in the next edition of “Aid for Trade at a Glance”, co-published with the OECD, which will be launched at the 2017 Global Review. The Review will highlight the main obstacles to connectivity and how these can be overcome to achieve trade growth and sustainable development.

Enhanced Integrated Framework

In January 2016, the Enhanced Integrated Framework (EIF) launched phase two of its programme, which aims to help least-developed countries (LDCs) use trade as a tool for growth. Phase two will run until 2022. The EIF rolled out projects in several LDCs aimed at supporting these countries' capacity to trade.

In 2016, the EIF focused on ensuring a seamless transition from phase one (2009-2015), which delivered 142 projects with a total allocation of US\$ 202 million across 51 of the world's poorest countries. Most projects were aimed at supporting trade development capacity. The projects have helped to create the kinds of jobs that lift people, particularly women and young people, out of poverty. The EIF's unique approach guarantees full LDC ownership; most EIF projects are co-financed by the LDCs themselves.

Implementation of the EIF programme continued in 2016 with the successful delivery of projects in many LDCs. Diagnostic trade integration studies (DTISs) or DTIS updates were finalized in Benin, Ethiopia, Guinea-Bissau, Mauritania, Myanmar and Samoa. DTISs help countries identify and address constraints to trade, economic growth and sustainable development. They provide a basis for action by governments, civil society, the private sector and development partners. Another 38 countries had institutional support projects under way and 32 supply-side support projects were being implemented.

Contribution agreements with EIF donors, following the EIF pledging conference in December 2015, have mostly been

Background on the Enhanced Integrated Framework

The EIF is the only global Aid for Trade programme dedicated to addressing the trade capacity needs of LDCs. It is supported by a multi-donor trust fund and provides financial and technical support to build trade capacity in LDCs to help them use trade as a tool for economic growth and poverty reduction. The EIF is a partnership of LDCs, donors and partner agencies, including the WTO, the World Bank, the International Monetary Fund, the United Nations Development Programme, the United Nations Conference on Trade and Development, the International Trade Centre, United Nations World Tourism Organization and United Nations Industrial Development Organization.



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Phase one of the EIF project delivered 142 projects with a total allocation of US\$ 202 million across 51 of the world's poorest countries.

completed and funding for the new phase has begun to be disbursed. At the conference, held in Nairobi ahead of the 10th WTO Ministerial Conference, 15 donor countries pledged US\$ 90 million for phase two.

The new phase also includes refining and rolling out improvements based on lessons learned from the first phase. Notable examples include the publishing of updated guidelines for DTISs, following an in-depth consultation process by the EIF partnership of LDCs, donors and agencies as well as additional support for work of EIF donor facilitators in LDCs. The facilitator is a representative from the donor community active in supporting an LDC's trade agenda and is identified by the government and other donors.

Work also began on meeting a commitment to donors to deliver a more dynamic and results-driven EIF capable of demonstrating increased efficiency, effectiveness, transparency and value for money. Development of a value-for-money framework for the EIF as well as a new, web-based management information system will help meet these goals.

Recent EIF projects

In Mali, the EIF programme has helped improve the quality of the mango crop through phytosanitary treatment of mango orchards and by encouraging good agricultural practices. It has supported capacity-building of the different actors in the value chain (women farmers, producers, traders and exporters), provided guidance to a dozen exporters on obtaining "global





EIF funding is supporting the silk sector in Cambodia, helping to improve the livelihoods of women in rural areas working in this sector.

gap" certification and offered marketing support at national and international trade events. The global gap certificate is an internationally recognized symbol of commitment to excellence, sustainability and reliability. Thanks to the programme, over 450 women are earning more money from mango farming and jam-making. In addition, women in rural cooperatives are being trained in processing techniques for fruit and vegetables, which will add value to their exports.

As part of the EIF programme, a DTIS was undertaken in Myanmar to analyse opportunities and constraints in the country's trade environment. With the assistance of the World Bank, and with additional financial contributions from Australia and the United Kingdom, the "Opening for Business" DTIS addressed the country's major economic challenges and made recommendations. Among the latter were calls to overhaul trade policy regulations and build capacity in trade policy and promotion, to ensure inclusive export-led growth, to encourage growth of trade in services and to facilitate trade through better logistics and finance.

Gender-focused projects

The EIF took stock in 2016 of some of its gender-focused projects at an event at the WTO's Public Forum (see page 140). Gender-related indicators have been incorporated into the phase two guidelines. The event included personal testimonies and footage of existing projects, such as support for the export of mangoes from Mali (see above), the manufacturing of silk clothing in Cambodia, cross-border trade in Rwanda (where 75 per cent of traders are women) and tourism services in the Solomon Islands. Speakers noted how trade plays a central role in empowering women.

Collaboration

The EIF brought together its partners at the mid-term review of the Istanbul Programme of Action in Antalya (see page 125) in May 2016 and the UNCTAD XIV Ministerial Meeting in Nairobi in July 2016. It also held EIF-specific events, such as the EIF's Steering Committee meeting held in April 2016 and two regional EIF workshops for Asian EIF countries and for the Pacific region.

The EIF has also collaborated with teams across the WTO Secretariat, including co-publishing a joint briefing note with the Standards and Trade Development Facility on how sanitary and phytosanitary (SPS) issues are addressed in DTISs. It also participated in workshops on technical barriers to trade (TBT), trade facilitation and other areas of WTO activity.

Standards and Trade Development Facility

The Standards and Trade Development Facility (STDF) continued to help developing countries improve their capacity to implement sanitary and phytosanitary (SPS) standards and to access wider markets. It supported the preparation and implementation of numerous new projects aimed at promoting compliance with international standards and facilitating market access. It also produced a user guide on how to prioritize SPS investments and published a series of case studies highlighting the results of recent projects.

The STDF continued to harness worldwide expertise on trade, health and agriculture issues to help farmers and traders in developing countries use trade in agricultural products as a means of increasing their incomes and improving their standard of living. It developed new ways of providing assistance so that developing countries can improve their capacity to meet food safety, animal and plant health requirements and therefore reach wider markets for their products.

Project grants

The STDF approved 11 project preparation grants (PPGs) and one project in 2016. This project aims to help the National Public Health Laboratory in the Solomon Islands improve the service it provides to fish exporters so that they can reach wider markets.

Background on the Standards and Trade Development Facility

The STDF is a global partnership that helps developing countries build their sanitary and phytosanitary (SPS) capacity and their ability to gain and maintain market access. The STDF contributes to broader sustainable development goals, such as enhanced economic growth, poverty reduction, food security and environmental protection. Established by the UN Food and Agriculture Organization (FAO), the World Organisation for Animal Health (OIE), the World Bank, the World Health Organization and the WTO, the STDF is financed by voluntary contributions. The WTO provides the Secretariat and manages the STDF trust fund.

Figure 4: Location of STDF projects and project preparation grants (number)

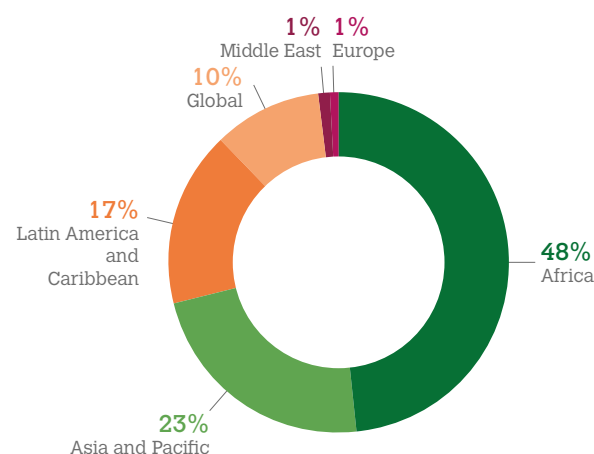
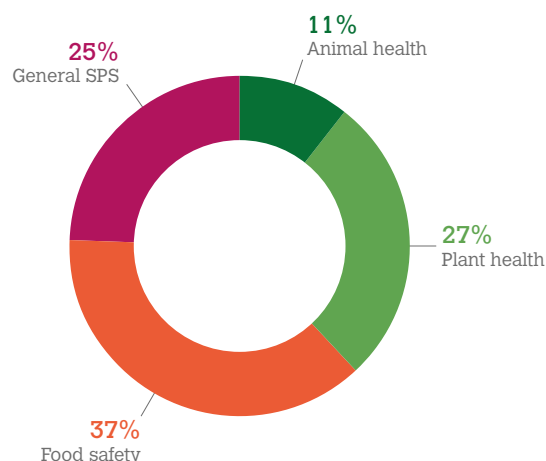


Figure 5: Coverage of STDF projects and project preparation grants (number)





The STDF produced a new film entitled “Cocoa: a sweet value chain”, highlighting how SPS standards help to make sure that chocolate is safe for consumers.

Of the total number of grants approved by the STDF, 48 per cent have been awarded to sub-Saharan Africa, 23 per cent to Asia and the Pacific and 17 per cent to Latin America and the Caribbean (see Figure 4). Of these grants, 38 per cent were dedicated to food safety, 27 per cent to plant health and 11 per cent to animal health issues (see Figure 5). Overall, the STDF has devoted 65 per cent of project resources to least-developed countries (LDCs) and other low-income countries, exceeding its target of at least 40 per cent.

New tools

In February, the STDF published a user guide “Prioritizing SPS Investments for Market Access: A framework to inform and improve SPS decision-making processes”. An information session on the guide was organized on the margins of a meeting of the Committee on Sanitary and Phytosanitary (SPS) Measures in March. The guide highlights the importance of facilitating public-private dialogue on SPS matters, increasing political awareness about the benefits of strengthening SPS capacity, informing and improving national SPS planning and decision-making processes, supporting project design and leveraging additional funding resources. The user guide is available on the STDF website.

The STDF produced a new film entitled “Cocoa: a sweet value chain”, which follows the journey of the cocoa bean from a tropical plantation to its transformation into chocolate. The film highlights how SPS standards help to make sure that cocoa plants are free from pests and diseases and that chocolate is safe for consumers. The film draws attention to the various actors who play a role in keeping the cocoa value chain safe, from smallholder farmers in West Africa to the chocolate manufacturers in Europe. The film was premiered at the World Cocoa Conference in the Dominican Republic in May and is available on the STDF website.

Information sharing

Building on the STDF's work on reducing SPS-related trade costs, a seminar was organized at the WTO in June on electronic SPS certification. It brought together over 150 participants from WTO members, international organizations and global business. Speakers shared the latest knowledge and good practices on automated SPS systems and their impact on facilitating trade by cutting time and costs, compared with the old paper-based systems. Electronic SPS certification can contribute to faster movement of food and agricultural products, reduced transaction costs and improved health protection. It can lead to improved compliance with regulations and policies, reducing errors and fraud, supporting risk management and enhancing trust among partners.

Also in June, the STDF, in collaboration with the United Nations Industrial Development Organization (UNIDO), organized an information session on how an STDF-funded project helped cinnamon producers in Sri Lanka overcome trading constraints by formulating national standards and a curriculum for vocational training. The project helped set up a purpose-built cinnamon training academy at Kosgoda, Sri Lanka. It also started the process of registering pure Ceylon cinnamon as a geographical indication in European markets to add value to high-quality Ceylon cinnamon.

Promoting awareness

In October, the STDF launched a new initiative to promote awareness and uptake of STDF tools and project support, and raise the STDF's visibility. New fact-sheets and a series of stories on the results of projects were produced and made available on the STDF website. The STDF Secretariat continued to participate actively in conferences, training workshops and other meetings at international, regional and national level to promote cooperation on SPS projects and initiatives. The Secretariat reported to each meeting of the SPS Committee on its activities and operations as well as to other WTO committees.

In December, the STDF published a briefing note highlighting its work in helping women farmers, processors and traders produce and export safe food and agricultural products. The note underlines that promoting women's access to, and participation in, agriculture and trade can support economic growth, reduce poverty and boost food security in developing countries. Examples of how the STDF has helped women build their know-how to meet SPS standards are highlighted.

Technical cooperation and training

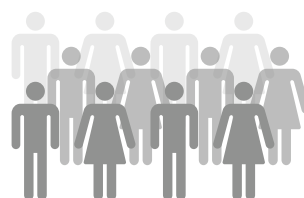
The WTO Secretariat undertook 315 technical assistance activities in 2016 aimed at helping government officials gain a better understanding of WTO rules and the multilateral trading system. Over 18,400 participants benefited from these training activities, up from some 15,000 in 2015. Least-developed countries (LDCs) were invited to participate in 60 per cent of all technical assistance activities, significantly more than in past years. Nearly half of the participants accessed training through e-learning resources on the WTO's online platform. An external report highlighted the value of the WTO's technical assistance programme.

The WTO's training activities are mostly based on a technical assistance and training plan approved by the Committee on Trade and Development. The 2016-17 plan followed a "results-based management approach", measuring results to ensure that training is delivered in the most effective way. Courses are undertaken as part of a "progressive learning strategy", meaning that participants benefit from a step-by-step approach to improving their awareness of trade issues. Guidelines and benchmarks help to maintain a high standard of content for all training, consistent teaching methods and regular evaluation of all technical assistance activities delivered by the WTO.

The WTO provides training for both generalists and specialists. Generalists are government officials who require a broad knowledge of many WTO subjects to conduct their work. This category includes many delegates posted to missions in Geneva. Specialists are government officials who require detailed knowledge in a specific area. This includes officials working on a particular issue in a government ministry.

Background on technical cooperation and training

The WTO's Institute for Training and Technical Cooperation coordinates the organization's technical assistance programmes. Its activities include e-learning, global and regional training courses, academic programmes and workshops at national and regional level. The technical assistance programmes help WTO members better understand their rights and obligations in the multilateral trading system. This strengthens countries' capacity to benefit from participation in the system.



18,400

Over 18,400 government officials benefited from WTO training activities in 2016 compared with around 15,000 in 2015.

Advanced courses are run on various subjects, including sanitary and phytosanitary issues, dispute settlement, trade-related intellectual property rights, regional trade agreements, trade in services, trade policy analysis, and other areas of specific interest to LDCs. Three Geneva-based advanced trade policy courses, each one lasting eight weeks, were held in 2016 for generalists.

The WTO also held a number of regional activities in 2016 aimed at both generalists and specialists. Eight-week regional trade policy courses were held for generalists in six regions: English-speaking Africa; French-speaking Africa; Asia and the Pacific; the Caribbean; Latin America; and Arab and Middle East countries. Kazakhstan was selected as the new partner for the Central and Eastern Europe and Central Asia regional course from 2017.

Specialist courses included a workshop on trade in services for member states of the Common Market for Eastern and Southern Africa and workshops on trade facilitation for the Arab and Middle-East region and for Central and Eastern Europe, Central Asia and the Caucasus region. A workshop on modifying tariff commitments was organized for the Economic Community of West African States, while a workshop on e-commerce was





The first training course on trade in services for countries seeking to join the WTO was held at the WTO in November 2016.

held for Latin America. A further workshop on sanitary and phytosanitary measures, technical barriers to trade and trade facilitation was organized for Asia-Pacific countries.

The WTO continued to involve international and regional partners in the delivery of technical assistance activities to ensure that a regional perspective was included in the design of the training programmes. The partnership approach has also been extended to the Academic Support Programme (see page 164).

Twenty per cent of activities were for the benefit of African countries, 13 per cent for Asia and the Pacific, 10 per cent for Latin America, 10 per cent for Central and Eastern Europe and Central Asia, and 4 per cent for the Arab and Middle East regions (see Table 1). The remaining 40 per cent were "global"

activities, mostly held in Geneva, aimed at participants from all regions. In line with a demand-driven approach, approximately 35 per cent of all activities were delivered at the national level in countries where a specific need was identified.

The number of face-to-face training activities conducted by the WTO was relatively stable in 2016 in comparison with 2015. The number of online courses increased slightly and the WTO Secretariat continued to implement a targeted approach to meet members' needs.

LDCs had access to 60 per cent of all technical assistance activities, including national activities held in their countries, regional and global activities in which LDCs were invited to participate and e-learning courses. This is compared with around 50 per cent in previous years.

Table 1: Technical assistance activities by region in 2016*

Region	National technical assistance		Regional		Global**		Other (conferences, etc.)		Total	
Africa	40	36%	14	24%	0	0%	10	27%	64	20%
Arab and Middle East	7	6%	6	10%	0	0%	1	3%	14	4%
Asia and the Pacific	24	22%	14	24%	0	0%	3	8%	41	13%
Central and Eastern Europe and Central Asia	18	16%	8	14%	0	0%	5	14%	31	10%
Caribbean	3	3%	5	8%	0	0%	0	0%	8	3%
Latin America	18	16%	7	12%	0	0%	5	14%	30	10%
Sub-total	110	100%	54	92%	0	0%	24	65%	188	60%
Global	0	0%	5	8%	109	100%	13	35%	127	40%
Total	110	100%	59	100%	109	100%	37	100%	315	100%

* Totals may not add up to 100 per cent due to rounding.

** Activities under the "global" category are not targeted at a specific region but include activities such as Geneva-based courses, distance learning, internship programmes and an advisory role on legal issues.

■ Supporting development and building trade capacity

The number of products specifically created for LDCs, or having LDCs as a priority, has also increased. For example, workshops were held on LDC needs in the field of intellectual property, trade in services statistics in relation to LDCs, and enhancing LDC participation in the multilateral trading system.

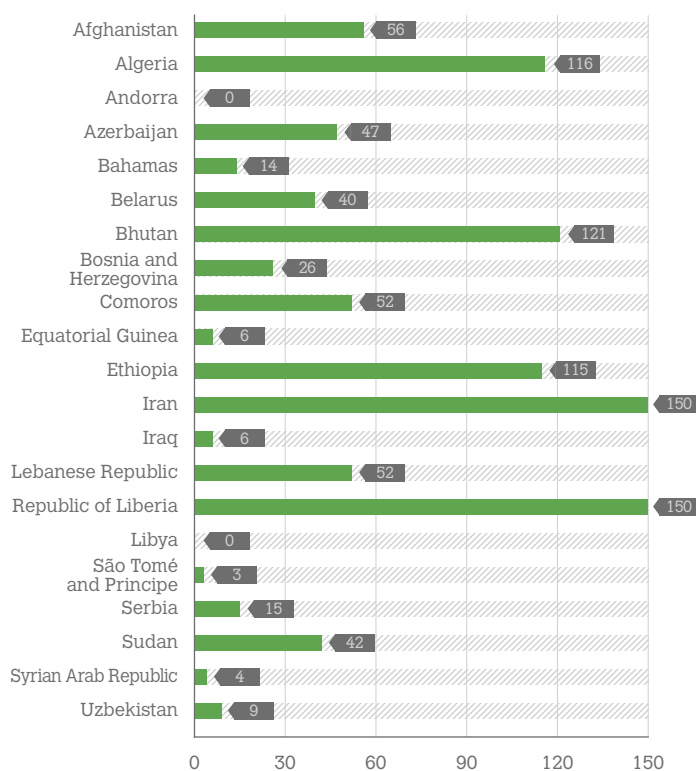
Participation rates

Approximately 18,400 people participated in technical assistance activities in 2016, compared with around 15,000 in 2015. In 2016, 10,279 participants from 147 countries (compared with 7,523 in 2015) enrolled for e-learning courses, with Africa providing 38 per cent of participants, followed by Latin America with 21 per cent, Asia and the Pacific with 20 per cent, Central and Eastern Europe and Central Asia with 8 per cent, the Arab and Middle East region with 8 per cent and the Caribbean with 5 per cent. Some 60 per cent of participants undertook the online course in English, 20 per cent in French and 20 per cent in Spanish.

Women represented 43 per cent of participants for all WTO technical assistance activities in 2016. Roughly 65 per cent of participants undertook technical assistance in English, 18 per cent in French and 16 per cent in Spanish.

Technical assistance was strengthened for countries seeking to join the WTO (see page 26 and Figure 6), with government officials invited to participate in over 100 technical assistance events.

Figure 6: Participants in WTO technical assistance activities in 2016 from countries seeking to join the WTO



Internship programmes

WTO internship programmes offer government officials hands-on experience in WTO activities. The Netherlands Trainee Programme, the French and Irish Missions Internship Programme, the Regional Coordinator Internship Programme and the Accession Internship Programme give priority to applicants from Africa and LDCs, to small, vulnerable economies, and to countries in the process of joining the WTO.

In 2016, the majority of officials completing the WTO internship programmes were from Africa and the Asia and Pacific regions. Eighteen candidates completed the French and Irish Missions Internship Programme, 16 candidates completed the Netherlands Trainee Programme, five candidates completed the Regional Coordinator Internship Programme and seven the Accession Internship Programme.

Young Professionals Programme

The Young Professionals Programme was launched in 2016 to increase the representation of professionals from under-represented countries. Six young professionals became the first participants in the programme in January 2017 (see page 169).

WTO reference centres

The WTO Reference Centres Programme provides guidance to government officials, the private sector and the academic community on trade-related information available on the WTO website and distributes trade-related publications to improve understanding of WTO issues. Reference centres also organize trade-related events, training activities and technical meetings. There are currently over 65 active WTO reference centres around the world.

In 2016, the WTO established/upgraded seven reference centres: four in Africa (Benin, Mozambique, Tanzania and Zambia), two in Asia (Bangladesh and Bhutan), and one in Latin America (Paraguay).

Financing technical assistance

The bulk of the technical assistance programme is financed by the Doha Development Agenda Global Trust Fund, which receives voluntary contributions from WTO members (see Table 2). The balance carried forward from 2015 allowed the financial position of the fund to remain solid in 2016.

As in previous years, the high level of funds carried forward was mainly due to large contributions being received in the last few months of the year. However, with a total of CHF 7 million contributed by 12 WTO members in 2016, donations fell by some 22 per cent compared with 2015, when CHF 9.1 million was received from 13 countries.

Other funding sources included the WTO's regular budget for Geneva-based courses and national technical assistance missions – approximately CHF 4.5 million in 2016 – and contributions from other trust funds (such as the French-Irish Missions Internship Programme, the Netherlands Trainee Programme and the China Programme), which totalled CHF 3.9 million in 2016.

External evaluation of WTO technical assistance

An external evaluation report on the functioning of WTO trade-related technical assistance was issued in October 2016. It identifies best practices and lessons learned in the delivery of training courses. The evaluation covers all WTO's technical assistance activities from 2010 to 2015, totalling over

2,000 activities and involving some 80,000 participants with a total budget of some CHF 110 million.

The report, produced by London-based Saana Consulting, highlights the WTO's progress towards achieving the targets outlined in its biennial plans for technical assistance. It notes that its technical assistance activities have been largely, and increasingly, effective in improving the capacity of developing countries to respect multilateral trade rules and to participate in trade negotiations. The report also recommends ways to make the training activities more transparent, targeted and accountable.

"When the WTO was created over two decades ago, technical assistance was not a major part of our work. Fast forward to today and it constitutes one of the biggest outputs of the organization. It has become, unquestionably, a central element of the WTO's activities," said WTO Director-General Roberto Azevêdo.

Table 2: Doha Development Agenda Global Trust Fund (as of 31 December 2016)

Contributions (CHF)	2011	2012	2013	2014	2015	2016	Grand total
Australia	1,803,600	-	2,689,900	61,370	2,162,382	-	6,717,251
Austria	258,600	240,200	243,600	241,400	104,900	109,000	1,197,700
Canada	944,276	1,362,298	-	-	-	-	2,306,574
Czech Republic	23,746	-	-	-	-	-	23,746
Denmark	331,230	321,903	491,063	482,422	400,028	-	2,026,646
Estonia	26,209	23,199	24,160	24,640	24,120	21,800	144,128
European Union	1,187,500	1,024,050	1,232,000	317,592	1,658,552	1,294,800	6,714,494
Finland	1,228,000	-	-	-	-	-	1,228,000
France	611,000	600,500	617,000	608,500	434,400	433,200	3,304,600
Germany	1,237,500	1,198,000	1,233,000	1,203,000	1,060,000	1,083,000	7,014,500
Japan	395,604	395,604	368,744	312,019	267,413	218,634	1,958,018
Republic of Korea	322,350	334,950	313,600	336,350	346,500	347,200	2,000,950
Liechtenstein	40,000	40,000	40,000	40,000	40,000	40,000	240,000
Netherlands	1,472,990	-	-	875,000	495,000	490,000	3,332,990
Norway	1,593,626	2,438,905	2,287,108	2,163,722	1,161,373	1,177,302	10,822,035
Spain	400,050	-	-	-	-	-	400,050
Sweden	2,074,322	2,386,480	2,245,600	-	-	1,253,700	7,960,102
Switzerland	-	800,000	800,000	-	-	-	1,600,000
Chinese Taipei	184,200	-	181,400	-	-	-	365,600
United States	940,580	940,535	851,885	1,127,392	950,400	529,036	5,339,828
Total contributions	15,075,383	12,106,624	13,619,060	7,793,406	9,105,068	6,997,672	64,697,213
Number of donors	19	14	15	13	13	12	