

DONOR QUESTIONNAIRE ON AID FOR TRADE

1 WHAT IS YOUR AID FOR TRADE STRATEGY?

Q1.1 Do you have an operational Aid for Trade strategy? Does it have a “pro-poor” focus? What are its key objectives and delivery/implementation modes? (Please break down by types of aid: "multilateral contributions" / "trust funds" / "budget support" / "other bilateral")

Please describe and exemplify. If applicable, feel free to refer to your 2007 response.

[The African Development Bank does not have an explicit AfT Strategy. However, since its inception most of the projects and programmes that the Bank funds and implements could be categorised AfT including infrastructure development (roads, railways, ports, energy and ICT); and Technical Assistance; Productive capacity (diversify exports). The Bank has up to now, not financed adjustment costs associated with trade liberalization.

During 2007 Bank's Annual Assembly held in Maputo, President Kaberuka, ECA Executive Secretary and WTO DDG agreed on 13 May 2008 on the following follow-up Aid for Trade action plan.

1. Set up a Working Group comprising of senior officials as focal points. Each focal point to report directly to their respective Head of Agency.
 2. The Working Group will meet before mid-June in Tunis to identify bankable regional/national projects, based on the outcomes of regional reviews conducted in November 2007, which identified priority areas including the following, Economic Infrastructure, Trade Facilitation and SPS related issues.
 3. Working Group to coordinate with RECs/countries to agree on regional/national projects that are ready for support as well as on the time frame for implementation.
 4. Working Group to agree on division of labour in supporting the implementation of identified regional/national projects.
 5. Working Group to establish an African AfT network, comprising AfDB, ECA, WTO, major donors, representatives of beneficiary governments and RECs.
 6. Working Group to contribute to the on-going efforts to develop monitoring and evaluation indicators.
- Furthermore, AfT appears as a cross-cutting issue in the Regional Integration Strategy of the Bank. The Strategy and the AfT initiative are mutually reinforcing in that support to the AfT would reinforce the implementation of this Strategy, while the implementation of the strategy would also enhance the Bank's support to AfT.

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Q1.2 If your Aid for Trade Strategy has evolved since 2007, please describe the changes and/or new focuses.

Please describe and exemplify.

[Under the Bank Group pre-financial crisis medium-term strategy, AfDB were set to approve projects annually of about USD5.2 billion(b) per annum. The Bank will now bring this up to anywhere between USD8.8b and USD10.5b per annum depending on a number of assumptions. Around USD3b would be for lending to sovereign borrowers in the Middle Income Countries, while private sector lending will be between 2.4 and

4.0b dollar, the soft concessional window will remain at about USD1.3b, we intend to disburse the resources quickly and be innovative to ensure a more effective resource transfer to needy countries. In short the goal is to double support to Middle Income Countries while tripling support to eligible private sector players across Africa.

Furthermore, the Bank is setting up an Emergency Liquidity Facility equal to USD1.5b revolving to meet urgent liquidity needs in sector-institutions where liquidity crunch is a problem. Finally, the establishment of a Trade Financing Facility, because the global crisis has crippled the ability and appetite of international banks to finance trade. The purpose of this facility is to ensure there is no disruption as we step in alongside other IFIs.
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Q1.3 Have you articulated a set of best practices in the design and/or delivery of Aid for Trade?

Yes

No

Not sure/Not applicable

If yes, what form does this best practice guidance take?

Please describe and exemplify.

[The Bank funds projects and programmes on a case-by-case basis. Each project goes through a rigorous evaluation process. Certain bench-marks have been developed and are spelled out in the Log-frame of each project i.e. investment cost per job created; size of the loan; number of beneficiaries; etc.

The delivery of Aid for Trade activities is underpinned by the following key principles:

- **Ownership:** Bank support for Aid for Trade initiative will be conditional upon commitment and ownership at continental, regional and national levels to both the process and objectives of Aid for Trade. ADB Group interventions will also seek to empower beneficiaries, through advocacy, policy dialogue and capacity building support, to take the lead in aid for trade implementation.
- **Selectivity:** The AfDB Group has limited resources in relation to the magnitude and scope of the Aid for Trade. The Bank will concentrate its efforts and resources in areas where it has clear comparative advantage, and where it expects to make substantial contributions to development impact. This would include infrastructure development (mainly transport and energy) as well as agricultural and rural development which include an estimated 60% rural infrastructure component.
- **Focus on Development Effectiveness and Results:** The Bank Group will strive to achieve tangible results in the ROs that it supports. Greater attention, therefore, will be paid to monitoring the implementation process closely, and providing necessary technical support to the executing agencies on a timely basis to keep project/programme implementation on track.
- **Strategic Partnerships:** The Bank is actively pursuing strategic partnerships. They are key to effecting co-ordination, efficient use of scarce resources, as well as mutual learning and knowledge exchange. The Bank will forge these partnerships based on its comparative advantage and overall strategic focus, including its AU/NEPAD mandates.]

2 HOW MUCH AID FOR TRADE DO YOU PROVIDE?

For CRS Reporting Donors

Q2.1 Does the attached CRS profile accurately reflect the volume of your Aid for Trade?

Yes

 No

If no, please provide further details of your Aid for Trade activities for 2006 and 2007.

Please add any data that are missing in their appropriate CRS categories, including those activities that should be considered as Aid for Trade under the category of "Other Trade-related Needs" and describe, if applicable, the method used to identify trade-related activities in the relevant CRS categories. Please also provide any activities that may fall under the new category of "Trade-related Adjustment" for 2006.

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For non-CRS Reporting Donors

**Q2.1 How much Aid for Trade did you provide in each of 2006 and 2007?
Please also indicate the volume as percentage share of your total ODA.**

Please use the WTO Task Force definition and include estimates of the value of in-kind Aid for Trade such as technical cooperation programmes.

[General trends have been identified including the following: About 90% of the Bank portfolio falls under Aft. Two sectors (infrastructure, agriculture and rural development) accounted for 94% of the operational approvals in 2007. Infrastructure projects were allocated the bulk of the approvals i.e. UA738 million(m), comprising UA549m (One UA or unit of account is about USD1.5) in loans and UA189m in grants. Of this allocation, infrastructure procured the largest share at 67%. Agriculture and rural development was allocated 15%, followed by social sector at 11%, and multisector at 7%. Sectoral distribution of ADF resources from ADF-8 cycle to ADF-11 cycle shows that infrastructure has the largest share of cumulative approvals. Infrastructure was allocated more than one fourth of ADF resources since ADF-8 replenishment, followed by multisector, and agriculture and rural development. In 2007, the disbursement of loans and grants on ADF operations amounted to UA725m compared with UA685m in 2006, an increase of 6%. Cumulative disbursements as at the end of 2007 stood at UA11.7 billion. A total of 1 429 loans and grants were fully disbursed for an amount of UA8.6b, representing 81% of cumulative disbursements since the Fund became operational.

It is important to note that the Bank followed the CRS Proxy Categories very closely and all projects in Infrastructure (Transportation and Electricity) and Agricultural (Rural Development, Fisheries and Forestry) projects were included under the ADF window of the Bank. All ADB-funded projects (non-grant loans) were excluded. Please refer to the attached tables for the detailed information as it has been prepared.]

For All Donor Agencies

Q2.2 Do you have indicative forward spending plans that include estimates on Aid for Trade?

 Yes

 No

 Not sure/Not applicable

If yes, please provide details of your indicative forward Aid for Trade spending plan.

Please delineate the plan per Aid for Trade category.

[The African Development Fund (ADF), the concessional window of the AfDB Group, concluded its 11th Resource Replenishment (ADF-11) for the Fund's activity in 2008-2010. Representatives of donor countries agreed to a total replenishment of USD8.9b, a 52% increase over 2005-2007 period. The ADF contributes to the promotion of economic and social development in 38 least developed African countries by providing highly concessional funding. The Fund's core strategic priorities for ADF-11 include infrastructure, governance, fragile states and regional integration.]

For Donors who had made Aid for Trade pledges

Q2.3 Please describe how you are meeting your pledges? And how much progress in delivering your final pledges do you expect to have made in 2008 and 2009?

Please provide details and evidence in accordance with your accountability mechanism.

[The record level of resources newly available to the ADF for operations during the 2008-2010 period will allow it to increase substantially the volume of concessional assistance it is able to provide to most of its Regional Member Countries. The total ADF resources reached USD8.9b i.e. and increase of 52% over the previous ADF-10 cycle (2005-2007). The targeting of these resources is done, annually and by country, on the basis of both need and performance, consistent with an agreed formula-based allocation system. Individual countries have already been advised of their prospective allocations, and operational programming is proceeding on this basis. Further technical analysis has indicated that some additional adjustments in these initially allocated amounts may need to be made, consistent with the agreed allocation system. The Bank is reviewing these issues, in consultation with its Executive Board and Member countries, and expects to be able to close on the matter shortly.

Representatives endorsed the focus of the ADF on infrastructure, governance and regional integration, major constraints to growth and poverty reduction in Africa and areas where the ADF has extensive experience and a good track record. Through its investments in these areas, the ADF will also contribute to critical cross-cutting objectives, including agriculture, promoting gender equity, environmental sustainability, climate change adaptation and private sector development.

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For Multilateral Donors

Q2.4 Please describe how funding for your Aid for Trade activities is evolving [e.g. share of activities funded from your agency's core (regular budget) vs. non-core (earmarked) resources, including multi-donor funds; likely trends in these categories].

Please describe.

[Middle Income Countries Trust Fund (MICTF)

In 2003, the Bank Group established the MICTF, initially with an allocation of UA1m from the Bank's 2001 net income and a UA100 000 maximum per operation.

In May 2005, the Board approved an increase in the MICTF to UA15m and an increase in the allocation for a single operation to UA600 000. Utilization was initially low but has steadily increased recently with prospects for expanded demand.

To address the problem of resource constraints posed by the restrictive sustainable lending limit for MICs, the Management is also taking measures to increase the availability of resources under the Middle-

Income Countries Trust Fund, to expand the areas of coverage as well as use the Fund as a catalyst to mobilize additional resources from partner institutions and donors. The Board has approved allocation of additional resources to the MICTF from the 2007 ADB net income. The MICTF has now been renamed the Technical Assistance Fund for the Middle Income Countries.

Present guidelines for the use of the Technical Assistance Fund for the Middle Income Countries allow for grant resources to support project preparation; capacity and institutional building; ESW (Economic and Social Work) and other country analytical work; and activities that promote the private sector (including building efficient financial systems, better corporate governance, and “other activities that contribute to the strengthening of the private sector”). The Bank is committed to use the Fund more creatively and effectively in additional areas. The Fund also serves as a catalyst for mobilizing additional resources from other development partners. In that context, it examines the feasibility of blending concessional resources with ADB loans to specifically address the elimination of pockets of poverty in MICs.]

Please feel free to provide any other relevant information in relation to the volume of your Aid for Trade.

[The new resources of the ADF, the concessional window of the AfDB, will underpin important innovations. First, it was agreed that the ADF will enhance its engagement in fragile states, including post-conflict countries. It will allocate 7.5% of total resources (USD665m) to a Fragile States Facility to provide targeted support to specific countries, including for debt relief.

Second, it was agreed that greater economic integration within Africa is essential if the continent is to become competitive and overcome the limitations of many small separate domestic markets, the disadvantages suffered by landlocked countries, and the lack of cross-border infrastructure. Therefore 17.5% of resources (USD1.6b) will be allocated to multinational operations.

Seventy-five percent of the resources (USD6.7b) will be allocated based on the performance of African countries themselves, both to ensure that the resources are used as effectively as possible and to further encourage good performance and accountability in each country.]

3 IMPLEMENTATION: HOW ARE YOU DELIVERING AID FOR TRADE?

Mainstreaming and Ownership

Q3.1 What measures have you undertaken to mainstream Aid for Trade in your overall assistance strategy?

Please describe and exemplify.

[A Guidance Note has been prepared with the objective of providing a framework for putting regional integration and trade at the center stage and mainstreaming it into Bank Group operations.]

Q3.2 In how many of the partner countries you support, are Aid for Trade concerns an important part of your policy dialogue with them (based on your best estimate)?

- | | | | | |
|--|-------------------------------------|-------------------------------------|---|--|
| <input type="checkbox"/> less than 25% | <input type="checkbox"/> 25% to 50% | <input type="checkbox"/> 50% to 75% | <input checked="" type="checkbox"/> above 75% | <input type="checkbox"/> Not sure / Not applicable |
|--|-------------------------------------|-------------------------------------|---|--|

Q3.3 How many of your country assistance strategies contain trade or Aid for Trade elements (based on your best estimate)?

- | | | | | |
|---|-------------------------------------|-------------------------------------|------------------------------------|--|
| <input checked="" type="checkbox"/> less than 25% | <input type="checkbox"/> 25% to 50% | <input type="checkbox"/> 50% to 75% | <input type="checkbox"/> above 75% | <input type="checkbox"/> Not sure / Not applicable |
|---|-------------------------------------|-------------------------------------|------------------------------------|--|

Q3.4 Has demand for Aid for Trade increased from partner countries since 2005?

- | | | | | |
|--|---|---|-----------------------------------|--|
| <input type="checkbox"/> Significantly increased | <input checked="" type="checkbox"/> Increased | <input type="checkbox"/> Little / no change | <input type="checkbox"/> Declined | <input type="checkbox"/> Not sure / Not applicable |
|--|---|---|-----------------------------------|--|

If increased, from which countries / regions, and for which Aid for Trade categories / sectors?

Please describe and exemplify.

[In 2007, Infrastructure represented 53% of total Bank portfolio. The ADF-11 replenishment process resulted in a new Strategic and Operational Framework for Regional Operations and has an operational focus largely targeted at infrastructure. 60 percent of the AfDB funds for low-income countries will go to support infrastructure such as roads, dams, and bridges over the next three years.]

If increased, what steps have you taken to strengthen your capacity to respond to increasing demand for Aid for Trade from partner countries? Tick the box of all that apply:

<input checked="" type="checkbox"/>	Increased aid resources
<input checked="" type="checkbox"/>	Strengthened in-house trade expertise
<input checked="" type="checkbox"/>	Improved training, tool-kits and/or guidelines for Aid for Trade programming
<input type="checkbox"/>	Increased awareness among policy-makers and practitioners at the HQ and the field
<input checked="" type="checkbox"/>	Strengthened political commitment
<input checked="" type="checkbox"/>	Increased coordination among donors (e.g. joint assessment, joint delivery, etc.)
<input type="checkbox"/>	<i>Please feel free to add other steps you have taken [.....]</i>

Please feel free to provide any other relevant information in relation to mainstreaming and ownership.

[The Bank is supporting trade policy training of government officials working on trade issues in Africa. This training course is being lead by the WTO and the AfDB]

Working with Others: Harmonisation and Alignment

Q3.5 In how many of the partner countries you support, have you contributed to the following joint donor initiatives?

	< 10%	10-30%	> 30%
Joint needs assessment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Joint Aid for Trade strategy formulation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joint Aid for Trade programme	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pool funding	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Joint monitoring and evaluation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Delegated cooperation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Q3.6 Do you have a specific approach to South-South and/or trilateral cooperation in Aid for Trade?

Yes No Not sure/Not applicable

If yes, what are its key elements or particular focuses?

Please describe and exemplify.

[The Bank has been instrumental in the establishment of key regional organisations. As a strategic partner to the NEPAD process, the Bank has also been designated as the lead agency for infrastructure development, and banking and finance standards. In the latter role, the Bank participated in the design of the Africa Peer Review Mechanism (APRM), which the Bank continues to support. As lead advisor to the AU/NEPAD on the infrastructure development program, the AfDB Group has provided significant support for the development of the Short Term Action Plan (STAP) and ongoing Program for Infrastructure Development in Africa (PIDA). In response to the many challenges facing the continent in the transformation of priority NEPAD projects into bankable projects, in 2004, the Bank facilitated the establishment of the NEPAD Infrastructure Project Preparation Facility (IPPF), which it is hosting.

The AfDB has forged strong partnerships with the UNECA and the AUC, and provided extensive technical support and policy advice to RMCs and regional economic communities on approaches to building and strengthening regional cooperation, trade and economic integration, including the processes towards the establishment of the African Economic Community.]

Q3.7 How much of your Aid for Trade is aligned with your partners' country systems (based on your best estimate)?

less than 25% 25% to 50% 50% to 75% above 75% Not sure / Not applicable

Please feel free to provide any other relevant information in relation to harmonisation and alignment.

[.....]

4 MONITORING RESULTS, EVALUATION AND MUTUAL ACCOUNTABILITY

Q4.1 Does your Strategy include specific monitoring and evaluation guidelines for Aid for Trade programmes?

Specific to Aid for Trade

Generic guidelines

If you do have specific guidelines, please provide the details of your Aid for Trade M&E framework. How often do you review progress towards your strategy objectives? Who do you report to?

Please describe and exemplify.

[The Bank follows a very strict regime of monitoring and evaluation. Each project has to be supervised on average at least 1,5 to 2 times a year. Regular reports are received from project management as well as from the Bank's country and regional offices.]

Q4.2 Do you regularly monitor the potential trade impact of your aid projects / programmes?

Yes

No

Not sure/Not applicable

If yes, please describe how.

Please describe and exemplify.

[Trade needs to be mainstreamed within Bank operations and therefore trade and the impact of trade have not been measured up to now. However, the Bank's statistical department has now made provision to include trade indicators to measure trade activities in projects and programmes. Although it is true that the Bank does not monitor the trade impact separately, it has embedded monitoring and evaluation procedures in place. This would include amongst others activities such as field visits to projects, monitoring of projects by quarterly project reports supplied by project management, mid-term review of projects being implemented, project completion reports at the end of project implementation and post-evaluation done by the Bank's Evaluation Department.]

Q4.3 Do you have plans to improve the evaluation of your Aid for Trade programmes?

Please describe and exemplify.

[The Bank is continually improving its evaluation processes in general and evaluation of programmes in general are embedded in the Bank's operations.]

Q4.4 Have you carried out or do you plan to carry out an impact assessment of your Aid for Trade programmes?

Yes: please indicate when: [12/2008]

No

Not sure/Not applicable

Q4.5 Do you involve partner country stakeholders in developing measurable objectives/indicators to assess the quality of your Aid for Trade programmes?

Yes No Not sure/Not applicable

If yes, please describe the indicators used.

Please describe and exemplify.

[Objectives and indicators are in some cases standard and depending on the type of project, these could change depending on the design and the type of project that is under discussion. In general, recipient countries would have the opportunity more than once to make inputs on projects, as a matter of fact, since these countries are clients of the Bank, they would have the right to assist in the design of projects, but would also be able to make inputs on the objectives and in some cases the indicators.]

Q4.6 Have you undertaken joint evaluations of your Aid for Trade with your partner country stakeholders?

Yes No Not sure/Not applicable

If yes, please describe when and the results of the evaluation.

Please describe and exemplify.

[Monitoring and evaluation of bank-funded projects are usually being done by the Bank and it is usually being conducted in close collaboration with partner country stakeholders. In many cases it might in fact be these stakeholders that would exclusively do the monitoring and evaluation themselves.]

Please feel free to provide any other relevant information in relation to monitoring, evaluation and mutual accountability.

[M&E forms an integral part of the Bank's operations. The Bank also has a special evaluation unit (OPEV) that exclusively conduct ex-post evaluation of Bank projects and report directly to the President of the Bank.]

5 REGIONAL DIMENSION

Q5.1 How important is the regional dimension in your Aid for Trade strategy?

Essential element Important element Minor element Not present Not sure / Not applicable

If essential or important, please describe how your Aid for Trade strategy addresses regional challenges.

Please describe and exemplify.

[Trade forms an integral part of regional integration thus enhancing the flow of goods and services between countries. Regional integration has been an important focus area of the Bank since its inception in 1964. In the broader context, the creation of infrastructure and other supply-side infrastructure would enhance trade between countries and would ensure the possibility to export goods from Africa to the rest of the global economy on a more competitive basis. One of the greatest needs in Africa is the development of much-needed infrastructure - one of the Bank's key-focus areas of investment.

The AfDB Group has invested significant resources, both financial and non-financial in supporting regional

integration initiatives throughout the continent.

AfDB will use its Regional Integration Strategy Papers (RISPs), which will should be reflected in the Country Strategy Papers (CSPs) to ensure implementation. A separate proposal would be made to the Bank's Board regarding the content of the CSPs and the proposed RISPs. Some RISPs have already been drafted, but they will be updated in the light of the Regional Integration Strategy. In this regard, immediately following approval of the Strategy, the Bank will have an internal discussion with the Regional Departments on the preparation of the RISPs. The Bank targeted that four RISPs would be completed during 2009. A format of the RISP will also be developed and presented to the Board for approval.]

Q5.2 Which of the following factors are important for determining whether or not to support particular regions or regional programmes? Please list in the order of importance.

<input type="checkbox"/>	Relevance to ongoing regional trade agreements / negotiations
<input checked="" type="checkbox"/>	Regional proximity / support to neighbouring regional economic integration processes
<input type="checkbox"/>	Cultural, linguistic or historical ties with the region
<input type="checkbox"/>	Existence of a viable counterpart at regional level
<input checked="" type="checkbox"/>	Request for assistance from a regional body
<input type="checkbox"/>	Availability of a clearly defined regional development strategy
<input type="checkbox"/>	Geographical concentration of donor activities
<input checked="" type="checkbox"/>	<p><i>Other, please describe</i> [The AfDB is servicing the whole of the continent and cannot choose to only support certain countries. There are however, some countries that are being sanctioned due to political reasons or due to conflict situations. Regional Assistance Strategy Papers (RASPs) are a basis for Bank's intervention. As for country coverage and number of RASPs to prepare, the Bank will prepare four RASPs namely: (i) Northern Africa RASP, covering the Arab Maghreb Union (AMU) countries; (ii) Western Africa RASP, covering the ECOWAS countries; (iii) Central Africa RASP, covering the ECCAS countries; and (iv) Eastern and Southern Africa RASP, covering the COMESA, SADC and EAC countries.</p> <p>A RASP has already been prepared for Southern Africa for the 2004-2008 period, but it is being updated following a decision of the Tripartite Summit of COMESA, EAC and SADC, held in October 2008, to merge the three RECs.</p> <p>In this drive, the focus will be on regional infrastructure development, corridor development, regional financial integration, institutional capacity building and trade related activities.</p> <p>]</p>

Q5.3 By how much has the volume of your regional Aid for Trade increased since 2005?

<input type="checkbox"/> Declined	<input type="checkbox"/> By less than 5%	<input type="checkbox"/> By 5 to 15%	<input checked="" type="checkbox"/> By 15 to 30%	<input type="checkbox"/> More than 30%
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Q5.4 In which assistance categories are you particularly active at regional level?

	Frequently	Occasionally	Rarely	Not sure / Not applicable
Training (trade negotiations/WTO rules)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trade facilitation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Development of cross-border infrastructure	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Capacity building of regional organisations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other, please describe and exemplify [The focus is on regional infrastructure development, corridor development, regional financial integration, institutional capacity building and trade related activities. The Bank only contributed to Category 2 (Economic Infrastructure) and Category 3 (Building Productive Capacity) with a small contribution on Trade Education and Training. It has spent very little resources on Trade Policy and Regulations as well as on Trade-Related Adjustment. The Bank is involved in infrastructure development with a very important component on natural resources development (agriculture, fisheries, forestry, etc.). During 2006 the Bank approved USD729 833 and in 2007 approved USD683 586 for economic infrastructure development. However during the same two years the disbursements were USD124 759 and USD135 677 respectively. It could be concluded that there was an increase in the projects approved for infrastructure but the disbursements were still low.

The projects approved in the agricultural sector decreased over the 2002 to 2007 period from an average of USD254 032 per annum from 2002 to 2005 to USD332 811 in 2006 and USD230 240 in 2007. However, the disbursements in the agricultural sector were much higher than that of the infrastructure – mainly due to a history of a large agriculture portfolio in the Bank.

As it was already demonstrated above that there was a decline on the percentage commitments to the agricultural sector with an accompanied increase on the percentage of funds being invested in economic infrastructure from 41% (average for 2002 to 2005) to 75% of the Bank's investment on new commitments. As demonstrated above in ADF-projects approved, the disbursement percentage remained high for agriculture with 58% and 82% of all funds disbursed in 2006 and 2007 respectively. This is due to large agricultural portfolio that the Bank is managing. It is expected that the size of agriculture would decrease and that of infrastructure would grow.]

Q5.5 What are the most important challenges in implementing regional Aid for Trade?

Please list in the order of importance.

<input type="checkbox"/>	Lack of (or weak) articulated demands for regional Aid for Trade
<input checked="" type="checkbox"/>	Lack of coherence between national and regional priorities
<input type="checkbox"/>	Lack of credible lending authorities at regional level
<input checked="" type="checkbox"/>	Lack of effective coordination at regional level
<input type="checkbox"/>	Difficulties of monitoring and evaluating results at regional level
<input type="checkbox"/>	Lack of credible mutual accountability mechanisms at regional level
<input type="checkbox"/>	<i>Other, please describe and exemplify</i> [Lack of African Aid for Trade Network that centralize all the relevant information.]

Q5.6 Has the demand for regional Aid for Trade increased since 2005?

<input checked="" type="checkbox"/> Significantly increased	<input type="checkbox"/> Increased	<input type="checkbox"/> Little / no change	<input type="checkbox"/> Declined	<input type="checkbox"/> Not sure / Not applicable
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If yes, in which regions and for which activities has it increased the most?

Please describe and exemplify.

[The Bank funds a large number of projects in Infrastructure through providing mainly transport infrastructure (roads) and energy. The new commitments for infrastructure in 2007 were 75% (USD684

million) of the total AfT that the Bank was rendering. The percentage of AfT in the agricultural sector decreased to about 25% (USD230 million) in 2007 of new commitment but the disbursements of agricultural projects are still high and comprised 65% and 84% in 2006 and 2007 in total AfT disbursed.]

Please feel free to provide any other relevant information in relation to regional Aid for Trade.

[The Bank could have a major role to play as a channel for delivering regional AfT packages to benefiting member countries and sub-regions. One advantage of this possible option is that RMCs and the RECs will be able to tap into the project preparation facilities and expertise in the Bank, as well as draw on best practices in its past infrastructure financing as well as benefiting from lessons learnt from the STAP and PIDA under the NEPAD initiative.

Much work still needs to be done by sub-regions in elaborating trade-related needs and integrating these into both national and regional development plans. The Bank could support financially the needs assessment study, and/or support the preparation of bankable regional investment projects.]

African Development Bank

Q2.4. Extension of OECD Questionnaire

Middle Income Countries Trust Fund (MICTF)

In 2003, the Bank Group established the MICTF, initially with an allocation of UA1 million from the Bank's 2001 net income and a UA100 000 maximum per operation.

In May 2005, the Board approved an increase in the MICTF to UA15 million and an increase in the allocation for a single operation to UA600, 000. Utilization was initially low but has steadily increased recently with prospects for expanded demand.

To address the problem of resource constraints posed by the restrictive sustainable lending limit for MICs, the Management is also taking measures to increase the availability of resources under the Middle-Income Countries Trust Fund, to expand the areas of coverage as well as use the Fund as a catalyst to mobilize additional resources from partner institutions and donors. The Board has approved allocation of additional resources to the MICTF from the 2007 ADB net income. The MICTF has now been renamed as the **Technical Assistance Fund for the Middle Income Countries**.

Present guidelines for the use of the Technical Assistance Fund for the Middle Income Countries allow for grant resources to support project preparation; capacity and institutional building; ESW (Economic and Social Work) and other country analytical work; and activities that promote the private sector (including building efficient financial systems, better corporate governance, and "other activities that contribute to the strengthening of the private sector"). The Bank is committed to use the Fund more creatively and effectively in additional areas. The Fund also serves as a catalyst for mobilizing additional resources from other development partners. In that context, it examines the feasibility of blending concessional resources with ADB loans to specifically address the elimination of pockets of poverty in MICs. To that end, it's considering recommendations made by the High Level Panel, which encouraged the search for solutions that are financially more advantageous to MICs. Specific areas targeted for enhanced uses include the following:

- Financing trade-related technical assistance, such as assisting with implementing the WTO's Aid-for-Trade agenda.
- Facilitating partnerships between performing MICs towards achieving the MDGs.
- Identifying investments in global public goods (renewable energy, environment, carbon markets).
- Developing knowledge bases and disseminating best practices.

Aid-for-Trade Flows: CRS Proxies						
ODA Flows: USD thousands, 2006 constant prices						
African Development Fund (USD)			Commitments		Disbursements	
CRS purpose codes		2002-05 average	2006	2007	2006	2007
TRADE POLICY AND REGULATIONS and TRADE-RELATED ADJUSTMENT						
33110	Trade Policy and administrative management	0	0	0	0	0
33120	Trade facilitation	0	0	0	0	0
33130	Regional trade agreements (RTAs)	0	0	0	0	0
33140	Multilateral trade negotiations	0	0	0	0	0
33150	Trade-Related Adjustment	0	0	0	0	0
33181	Trade education/training	0	0	0	0	0
	sub-total	0	0	0	0	0
ECONOMIC INFRASTRUCTURE						
21010 to 21081	Transport and storage	0	0	0	0	0
22010 to 22040	Communications	0	0	0	0	0
23010 to 23082	Energy supply and generation	0	0	0	0	0
	sub-total	0	0	0	0	0
BUILDING PRODUCTIVE CAPACITY <i>(Includes Trade Development activities (1))</i>						
25010	Business and other services	0	0	0	162	0
24010 to 24081	Banking and financial services	0	0	0	0	0
31110 to 31195	Agriculture	0	0	0	0	0
31210 to 31291	Forestry	0	0	0	0	0
31310 to 31391	Fishing	0	0	0	0	0
32110 to 32182	Industry	0	0	0	0	0
32210 to 32268	Mineral resources and mining	0	0	0	0	0
33210	Tourism	0	0	0	0	0
	sub-total	0	0	0	162	0
not applicable	Focus on Trade Development (1):					
	Principal objective			not used		not used
	Significant objective			not used		not used
	sub-total			0		0
OTHER TRADE RELATED NEEDS (2) <i>(USD thousands or national currency)</i>						
not applicable	<i>These data will form part of donors' reporting to the WTO under the three-tier monitoring system.</i>					
TOTAL AID FOR TRADE		USD	0	0	0	162
TOTAL SECTOR ALLOCABLE ODA		USD	1 223 831	1 373 634	1 681 733	--

Aid-for-Trade Flows: CRS Proxies						
ODA Flows: UA thousands, 2006 constant prices						
African Development Fund (UA)			Commitments		Disbursements	
CRS purpose codes		2002-05 average	2006	2007	2006	2007
TRADE POLICY AND REGULATIONS and TRADE-RELATED ADJUSTMENT						
33110	Trade Policy and administrative management	0	0	0	0	0
33120	Trade facilitation	0	0	0	0	0
33130	Regional trade agreements (RTAs)	0	0	0	0	0
33140	Multilateral trade negotiations	0	0	0	0	0
33150	Trade-Related Adjustment	0	0	0	0	0
33181	Trade education/training	0	0	0	0	0
sub-total		0	0	0	0	0
ECONOMIC INFRASTRUCTURE						
21010 to 21081	Transport and storage	0	0	0	0	0
22010 to 22040	Communications	0	0	0	0	0
23010 to 23082	Energy supply and generation	0	0	0	0	0
sub-total		0	0	0	0	0
BUILDING PRODUCTIVE CAPACITY <i>(Includes Trade Development activities (1))</i>						
25010	Business and other services	0	0	0	110	0
24010 to 24081	Banking and financial services	0	0	0	0	0
31110 to 31195	Agriculture	0	0	0	0	0
31210 to 31291	Forestry	0	0	0	0	0
31310 to 31391	Fishing	0	0	0	0	0
32110 to 32182	Industry	0	0	0	0	0
32210 to 32268	Mineral resources and mining	0	0	0	0	0
33210	Tourism	0	0	0	0	0
sub-total		0	0	0	110	0
not applicable	Focus on Trade Development (1):					
	Principal objective			not used		not used
	Significant objective			not used		not used
sub-total				0		0
OTHER TRADE RELATED NEEDS (2) <i>(UA thousands or national currency)</i>						
not applicable	<i>These data will form part of donors' reporting to the WTO under the three-tier monitoring system.</i>					
TOTAL AID FOR TRADE		UA	0	0	0	110
TOTAL SECTOR ALLOCABLE ODA		UA	832 931	934 886	1 144 576	--

*/ Approvals

