

# 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 main steering documents for Sweden's trade-related development cooperation are the EU Strategy on Aid for Trade, The Swedish government's annual guidelines on Aid for Trade and Sida's (Swedish international development cooperation agency) operational "Plan for trade-related development cooperation". During 2009, Sweden will formulate a new policy on trade-related development cooperation (see Q 1.2).

All trade-related contributions should have a pro-poor growth and poverty reduction focus, be demand driven and integrated into the overall development cooperation. The focus for Sweden's trade-related development cooperation assistance is the poorest countries and the priority region is Sub-Saharan Africa.

In the EU context, Sweden and the UK are leading a working group on Aid for Trade: "Promoting inclusive growth and poverty reduction" This work is primarily designed to strengthen the pro-poor focus and quality of the EU Aid for Trade by further developing ways in which key stakeholders understand and act upon the linkages between trade, poverty and inequality. The annual Government guidelines on Aid for Trade make explicit the priority areas for Swedish trade-related development cooperation. Current priorities are: Sanitary and Phytosanitary measures (SPS), Technical Barriers to Trade (TBT), Economic Partnership Agreements (EPA) related support, Trade and Climate Change and Trade Facilitation. According to Sida's plan, trade-related support will be concentrated to: i) trade in agricultural products (SPS and TBT), ii) power trading, iii) transaction costs (Trade Facilitation and Transport), iv) trade development and v) research, training and policy processes. (When implementing, Sida will be aiming for larger contributions, sector concentration based on Swedish comparative advantage, longer contract periods and cooperation with other donors.)]

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

*Please describe and exemplify.*

Trade and climate has been added to the list of priorities since 2007.

During 2009, Sweden will formulate a new Policy on Trade-related Development Cooperation. The policy will take its point of departure in the broader AfT definition. During the policy process, we will examine how Sweden should position itself, in light of Swedish competence, our priority countries, and profiles of other donors. How trade related assistance best can contribute to poverty reduction will be further examined. One important aspect of the policy will be to strengthening partner countries' ability to identify and coordinate trade related assistance needs.

**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

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

*Please describe and exemplify.*

Sida currently collects best practice guidelines on the design and delivery of Aid for Trade. This work will partly be based upon the current work in the EU working group lead by UK and Sweden described above. Within this working group the Overseas Development Institute, ODI, has been commissioned to, among other outputs, develop generic guidelines with best practice examples of how to improve the links between aid for trade programming and poverty reduction.

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## 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.*

### *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.*

### *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.*

As an EU Member state, Sweden will contribute to the joint commitment to increase EU's trade-related assistance to amount to two billion Euros per year by 2010. One billion Euros from the EU-Commission and

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one billion from the Member states. Supporting economic growth, including trade and market development assistance, continues to be a priority for the Swedish development cooperation.

#### *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.

See Above

#### *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.

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

### **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.*

Integrating trade into overall development cooperation is a priority for the Swedish government. The operational plan of the implementing agency (Sida) called "Plan for trade-related development cooperation", focuses specifically on integration of AfT in other sectors.

Sida is currently implementing a major organisational re-structuring, which will increase opportunities for closer cooperation across different working areas. There are ongoing projects between different teams within Sida aiming to improve cooperation in relevant areas. Within the "Operations pillar" the global, regional and country teams consist of people from all different sectors, including experts in the economic and trade fields. Sweden has in 2008 developed many new country cooperation strategies. The majority of these include possibilities to meet partner countries' demand on trade-related development cooperation assistance within the field of market development and agriculture. Some of them also has AfT and market development as a specific priority sector.

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

<input type="checkbox"/> less than 25%	<input checked="" type="checkbox"/> 25% to 50%	<input type="checkbox"/> 50% to 75%	<input type="checkbox"/> above 75%	<input type="checkbox"/> Not sure / Not applicable
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**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
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**If increased, from which countries / regions, and for which Aid for Trade categories / sectors?**

*Please describe and exemplify.*

Demand for trade-related development assistance has increased in general. Further in relation to the EPA-negotiations, regional demand has increased.

The percentage of country assistance strategies that contain trade or AfT elements will probably increase, since Sweden is in a process of developing new strategies for a number of countries.

**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 checked="" 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 checked="" type="checkbox"/>	<i>Please feel free to add other steps you have taken</i> A new policy on AfT will be developed. Funds have been allocated from Sida to the "The Swedish National Board of Trade". The latter will be able to give quick responses to specific requests from partner countries.

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

### 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 type="checkbox"/>	<input checked="" type="checkbox"/>
Joint Aid for Trade strategy formulation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Joint Aid for Trade programme	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pool funding	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Joint monitoring and evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Delegated cooperation	<input checked="" type="checkbox"/>	<input 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.*

Limited funds coming from the Ministry for Foreign Affairs are used for encouraging South-South and/or trilateral cooperation.

#### 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.**

Regarding alignment, the Swedish development cooperation is based on the demands and needs of the partner countries as identified in the PRS, and their partner countries' policy planning and budgeting framework is taken into consideration. Concerning harmonisation, Sweden will actively contribute to strengthen the partner countries' capacity to coordinate trade-related contributions. Sweden will also work with other donors to achieve effective division of labour.

## 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.*

**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.*

Reviews and evaluations

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

*Please describe and exemplify.*

Sida is currently planning to improve its evaluation of aid for trade. There are plans to develop indicators and to develop a good monitoring and evaluation system.

**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: 12/2009  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.*

The used indicators are different for different Aid for Trade programmes. Monitoring and Evaluation is developed jointly between Sida and the partner country. At the country level Sida has the intention to work through the Enhanced Integrated Framework mechanism.

**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.*

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

Sida has the intention to perform joint evaluations with other donors.

## 5 REGIONAL DIMENSION

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

<input type="checkbox"/> Essential element	<input checked="" type="checkbox"/> Important element	<input type="checkbox"/> Minor element	<input type="checkbox"/> Not present	<input type="checkbox"/> Not sure / Not applicable
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**If essential or important, please describe how your Aid for Trade strategy addresses regional challenges.**

*Please describe and exemplify.*

Regional integration is an important part of the Swedish Aid for Trade strategy. Both as means to enhance regional South-South trade, but also as an important stepping stone to increased multilateral trade. Trade-related assistance can typically be more efficient when contributions at the bilateral level is supplemented by regional contributions, in order to create potential synergies.

The focus area of Swedish aid for trade is Sub-Saharan Africa. In accordance with the Joint EU-Africa Strategy for 2008-2013, trade and regional integration is one of the prioritised areas in relation to Africa. Trade is a cornerstone of the regional integration efforts of African countries and Sweden will work actively to respond to needs and demands for trade-related support at the regional level. Principal cooperation partners at the regional level will be regional organisations. Some examples are contributions to increased harmonisation and development of regulations and standards within agriculture (SPS and TBT), the development of regulatory frameworks, strengthening of institutions and infrastructure for power trading, transport and transaction costs. Moreover, research, education and policy processes have a clear regional dimension to support development of trade policy knowledge and capacity to formulate trade policies and negotiate. Sweden will support contributions that enhance the African countries' efforts to integrate at intraregional level as well as with the rest of the world.

Sweden is in the process of developing a new cooperation strategy for Africa, which will keep regional economic integration (including trade integration) as one of its main priorities.

### 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 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 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 type="checkbox"/>	<i>Other, please describe</i> Box nr1= 5 box nr 2=4 box nr 3= 7 (least important) box nr 4=2 box nr 5=1(most important) box nr 6=3

box nr 7= 6

**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 type="checkbox"/> By 15 to 30% | <input checked="" type="checkbox"/> More than 30% |
|-----------------------------------|--|--------------------------------------|---------------------------------------|---|

**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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trade facilitation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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*

**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 type="checkbox"/>	Lack of coherence between national and regional priorities
<input type="checkbox"/>	Lack of credible lending authorities at regional level
<input 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> Box nr1= 1 (most important) box nr 2=3 box nr 3= 6 (least important) box nr 4= 2 box nr 5=4 box nr 6=5

**Q5.6 Has the demand for regional Aid for Trade increased 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 yes, in which regions and for which activities has it increased the most?**

*Please describe and exemplify.*

Mostly in Sub-Saharan Africa and the Middle East and North African regions in all areas related to analysing, negotiating and implementing capacity.

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

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