

# PARTNER COUNTRY QUESTIONNAIRE ON AID FOR TRADE

- We advise you to read the Explanatory Notes starting on page 10 before answering the questionnaire.
- When completed, this form should be returned by 20 February 2009 via e-mail to [aft.monitoring@oecd.org](mailto:aft.monitoring@oecd.org) and [aft.monitoring@wto.org](mailto:aft.monitoring@wto.org).
- The questionnaire can be downloaded from the OECD website at <http://www.oecd.org/dac/trade/aft> or from the WTO Members' website at <http://members.wto.org/members/>.
- All the boxes in this form are expandable.

## 1 IS YOUR TRADE STRATEGY MAINSTREAMED?

### Q1.1 Does your country have a national development plan or strategy?

Yes

No

If YES, does this development plan include trade as a lever for growth and poverty reduction? (*please tick the most accurate description below*)

Trade is a key priority and the plan includes well developed trade-related priorities and implementation actions (*please attach*).

Trade is mentioned but the plan does not include operational objectives and action plans.

No.

Other, please describe:

Yes, the Government of Bangladesh was prepared a PRSP document, where trade related issues were considered as an engine of growth and development. Apart from PRSP, some other national documents such as import policy, export policy, industrial policy are also introduced to support the trade development strategies. These policies are always been regarded trade issues as a prime issue to foster development, promotes industrialization and generates employment and thus reducing poverty to facilitate sustainable development.

If your Government does NOT have an articulated national development plan or strategy, or if trade is not strongly present in it, are there other separate strategies/plans addressing trade-related objectives? (*feel free to tick more than one box*)

- Government priority areas are not systematically subject to a documented strategy.
- In the annual government budget.
- In various sectoral strategies (e.g. one per relevant ministry, or per sector). Please describe and attach:
- In one single trade development/competitiveness strategy document encompassing all trade-related priorities across different government departments (*please attach*).
- Other, please describe: N/A

***For Least-Developed Countries participating in the Enhanced Integrated Framework (EIF), former Integrated Framework (IF):***

**Do the Diagnostic Trade Integration Study (DTIS) and Action Matrix reflect your Government trade strategy? (*please tick the most accurate description below*)**

- The DTIS and accompanying action matrix reflect well my country's trade-related needs and my Government's priorities.
- The DTIS and accompanying action matrix partly reflect my Government's analysis of trade needs and priority areas.
- The DTIS and accompanying action matrix are not (or are no longer) a good indication of my country's trade-related needs and priorities.
- The DTIS and accompanying action matrix are not currently a good indication of my country's trade-related needs/priorities, but they are in the process of being updated.
- Other, please describe:

Bangladesh did not participate in the EIF. It is however to be noted that like other LDCs, Bangladesh took serious initiatives to join former IF in 1997 and submitted 34 project proposals for developing trade related capacity, improving infrastructure and addressing supply side constraints. It however, received only US\$2,91,000 from ITC for implementing a project titled "Marketing skills development scheme for the leather sector Bangladesh" after undergoing tedious diagnostic process. Considering the limitations of fund, Bangladesh allowed other more needy LDCs to take advantage of IF first. It may however, join EIF if adequate fund is available for EIF. Bangladesh trade strategies are reflected in the PRSP document which are presented in the Action Matrix.

**Q1.2 What are your Government's priority areas of intervention to improve your country's capacity to benefit from trade expansion and integration into the world economy?**

*(Below are listed the most common areas grouped according to broad aid category – please rank the top 3 priority areas among the 12 listed)*

<b>Trade Policy</b>	<b>6 Trade Policy Analysis,</b>	<b>Economic</b>	<b>1 Network infrastructure (power,</b>
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<i>and Regulations</i>	Negotiation and Implementation	<i>Infra-structure</i>	water, telecom)
	11 WTO Accession costs		10 Other transport
	3 Trade Facilitation		7 Cross-border Infrastructure
<i>Building Productive Capacity</i>	2 Competitiveness	<i>Other</i>	4 Adjustment costs
	9 Value Chains		8 Regional Integration
	5 Export Diversification		12 Other, please describe:

**Q1.3 Does your Government have an operational strategy (with action plans, timelines and budgets) for its priority areas?**

Priority 1: Network Infrastructure (Power, Water, Telecom...Annex-1 shows list of power sector projects, which is already included in the on-going ADP where funding is required)  Yes  Being formulated  No

*If Yes or Being formulated, please describe:*

Yes, the Government of Bangladesh has an operational strategy that supports the broad objective and priority areas of Bangladesh's trade development strategies. Without assurance of adequate funds, implementation of these strategies would be extremely difficult. The trade development strategies of the government are reflected and implemented in the Annual Development programmes (ADP). Besides, Ministry of Commerce also formulated three years Export policy and Import policy. With a view to facilitating trade, government emphasises on the development of infrastructure network, physical infrastructure, human resources, and institutional capacities, especially in those areas where it has bottlenecks or supply side constraints. Bangladesh has liberalized Telecom sector which was reflected in the GATS schedule of commitment. The sector needs to be improved further with advance technology with a view to coping with modern digital era. Besides this, the country also needs to improve the capacities of the power and water sectors. These two sectors are suffering from serious bottlenecks which in turn creates deadlock to the overall development of the country. To meet the ever growing demand, capacities must be upgraded; new plants have to be installed on an urgent basis; and the distribution and transmission systems have to be improved with all out efforts. Moreover, technology transfer is utmost needed for the plants that were setup by the foreign companies for their smooth operation by the domestic experts. Government has already identified a list of priority projects which needs urgent funding for implementation. In relation to water network, an Inland Water Transport (IWT) strategy will be developed where the provision of dredging strategy would be incorporated.

Priority 2: Competitiveness  Yes  Being formulated  No

*If Yes or Being formulated, please describe:*

Bangladesh's export basket is extremely limited, it remains heavily dependent on exports of clothing (Ready-made Garments - RMG), and to lesser extent on textiles. It offers employment for more than 2.5 million workers of which more than 70 percent are women. To enhance the competitiveness of this sector Government has identified a number of non-traditional items having high export potentials for their further development, which requires adequate funding for implementation. In order to diversify the export markets the government has been undertaking promotional activities as well as policy initiatives. During the last five years Export Promotion Bureau organized a number of single country trade fairs in an around the world.

Exporters of Bangladesh also participated in the international trade fairs in various destinations. In addition, special marketing missions were sent to African countries in order to explore the export potentials of pharmaceutical products. At present the country needs sector specific interventions both for the goods and services sectors. This is needed for ensuring sustainable development of the export oriented industries which is expected to have a positive impact on poverty reduction.

**Priority 3: Trade facilitation**  Yes  Being formulated  No

*If Yes or Being formulated, please describe:*

To improve country's capacity as well as to reaping meaningful benefit from the international trading system among other priorities Government emphasis on trade facilitation. As an LDC Bangladesh faces enormous challenges in regard to supply-side constraints, compliance to the international norms & obligations, standard & quality, availability of appropriate trade facilitating measures, advanced communication system, proper negotiating capacity, timeliness, professional integrity etc. With a view to addressing these challenges sufficient fund is require in the area of trade facilitation. Bangladesh has identified the following needs under Aid for trade initiative: i) To improve supply-side capacity with focus on market access capacity of some potential sectors such as fresh and processed agricultural products through grading, packaging and standardization to the European Union, the United States and other countries. ii) To diversify export products by increasing capacity in various potential sectors, like Frozen Food sector, Leather and Leather Goods, Jute Goods, Light Engineering, Handicrafts, Gift Items, Pharmaceuticals, Ceramics, Melamine and Plastic products etc. iii) To enhance expertise and capacities for analyzing and implementing sanitary and phytosanitary (SPS) and TBT standards, labour standards and to maintain ISO-9000, ISO-14000, SA-8000 quality management. iv) To develop proper infrastructure with a view to expanding and modernizing port facilities, modernizing customs, improving other trade facilitation measures.

**Q1.4 Are the financing needs of these trade-related priorities included in your national dialogue with donors?**

Yes  No  Not sure

**If YES, which structures do you use to discuss the financing needs of your trade-related priorities with your donors? (feel free to tick more than one box)**

PRSP/CAS  Bilateral dialogues  Regional-wide dialogues  Other, please describe:

**Please describe the type of dialogue or alternative method, its level, its frequency, and its specificity to trade matters:**

**If NO, do you have plans to include trade-related priorities in your dialogue with donors in the next two to three years?**

Yes  No  Not sure

- End of Section 1 -

Please feel free to provide additional information about your trade strategy

## 2 HOW IS YOUR TRADE STRATEGY FINANCED?

**Q2.1 Does the attached CRS<sup>1</sup> profile accurately quantify the Aid for Trade you received in 2006 and 2007?**

Yes  No  Not sure/ NA

**If NO, please provide details of the Aid for Trade you received in 2006 and 2007.**

*[Please describe with figures, and include any activities that may fall under 'other trade-related needs']*

The Data is unable to provide accurate amount of Aid for Trade for the time 2006-2007 as per CRS guide line. But a list is attached, that shows commitments and disbursements of food aid, project aid and commodity aid which Bangladesh received from the multilateral and bilateral donors/agencies since 1971-72 to 2007-2008. Meanwhile a trade related project list also attached which requires aid for trade fund immediately, this list excluding power sector project (Annex-2).

- End of Section 2 -

Please feel free to provide any additional information on aid-for-trade flows

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<sup>1</sup> The CRS profile summarises the commitments and disbursements reported by donors to the OECD Creditor Reporting System on the aid categories most closely associated with Aid for Trade as defined by the WTO Task Force, specifically support for trade policy and regulations, trade development, trade-related infrastructure, building productive capacity and trade-related adjustment (available from 2008 only).

### 3 HOW DO YOU IMPLEMENT YOUR TRADE STRATEGY?

#### Ownership

#### Q3.1 Who is responsible for overseeing and coordinating the implementation of your trade strategies including activities funded by ODA?

- A national committee is responsible for coordination and implementation.
- The Trade Department has a coordinating role but implementation is overseen by each relevant department separately.
- The national aid agency has the main coordinating role but implementation is overseen by each relevant department separately.
- There is no central coordination department. Each relevant department is separately responsible for implementation.

Other, please describe:

Ministry of Finance (Economic Relations Division) mainly responsible for overseeing and coordinating fund for implementation of trade strategies. Besides, the Ministry of Commerce (MOC) is playing a vital role to formulate trade strategies. With a view to addressing the challenges and opportunities of implementing trade strategies, MOC organizing inter - ministerial meetings, dialogues, and consultations with the representatives of several government organizations and departments, trade bodies, civil society experts academics etc.

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**If you have (or are in the process of establishing) a national committee, please describe its main functions, its membership (e.g. ministries, private sector), frequency of its meetings and to whom the committee reports. [Please describe and exemplify below.]**

The country not yet formed a national committee on Aid for trade, but Ministry of Commerce has formed a WTO related High Powered Committee (Commerce Minister is the Chairperson) which consists of thirty members from public and private institutions. Moreover, a better business forum was established. In Bangladesh, the MOC is responsible for formulation of trade development strategies. The Ministry of Commerce is coordinating among the Ministries, divisions and stakeholders for implementation of the trade related issues and programmes. It has also formed seven Working Groups to deal with specific WTO issues namely: Agriculture and SPS; NAMA and WTO RULES; Trade in Services; TRTA, Trade facilitation and Customs Valuation; Trade and Environment; TRIPs and TBT. Each working group's has different Terms of Reference(TOR). Recognizing the importance of the WTO or bilateral meetings or negotiations, the Ministry of Commerce (MOC) convenes several meetings with the Bangladesh Tariff Commission, National board of Revenue, Bangladesh Bank, other concerned Ministries, NGOs, Research Institutes and different Trade Chambers. Moreover, during the preparation of Export Policy and Import Policy Order, MOC consults with all concerned stakeholders at various stages. Finally, the policies are placed for Cabinet of Ministers for final approval which are generally circulated through government gazette.

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**Q3.2 Do you engage in dialogue with the private sector and other key domestic stakeholders about the formulation and implementation of your trade strategy?**

Nearly always   
  Regularly   
  Rarely   
  Not sure/ NA

**If you do, please describe your main stakeholders and the focus and frequency of your dialogue.**

*[Please describe and exemplify below.]*

To formulate trade strategy the Ministry of Commerce(MOC) organize dialogue with the private sector and the concerned key stakeholders regularly. The concerned stakeholders namely Tariff Commission, National Board of Revenue, Bangladesh Bank, concerned Ministries, NGOs, Research Institutes and different Trade Bodies/Chambers. In formulation of Export policy, Import policy, Trade Policy Review, same procedures have maintained by the MOC for the preparation of draft which has consulted at various stages or inter ministerial meetings or open forums. The policies are placed for Cabinet of Ministers for final approval which are generally circulated through government gazette.

*For Least-Developed Countries participating in the Enhanced Integrated Framework (EIF):*

**Q3.3 Is your EIF focal point and committee responsible for overseeing and coordinating all your trade agenda?**

Yes   
  No   
  Not sure/ NA

**If no, please describe the different arrangements:**

Bangladesh not yet the Member of the EIF, there is no such focal point. Ministry of Commerce is the main coordinator for all trade agenda.

**Working with external partners: harmonisation and alignment**

**Q3.4 In your Aid for Trade programs, how often do donors co-ordinate and align through:**

	Regularly	Sometimes	Rarely or Never	Not sure
Joint needs assessments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Co-financing	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sector-wide approaches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joint Implementation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joint Monitoring and Evaluation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, please describe:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Monitoring and evaluation

**Q3.5 Do you monitor or evaluate your donor supported trade-related programmes?**

Nearly always     
  Regularly     
  Rarely or Never     
  Not Sure

**If you monitor and evaluate your donor supported trade-related programmes, do you use:**

	Regularly	Sometimes	Rarely or Never	Not Sure
Donors' monitoring and evaluation results	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joint monitoring and evaluation arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Own monitoring and evaluation arrangements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Own monitoring but joint/donor evaluation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If you use nearly always or frequently your own monitoring and/or evaluation arrangements, can you please provide examples of your methodology and results? [Please describe and exemplify below.]**

Monthly Meeting, Field Visit, Quarterly/Annual Reporting

### Mutual Accountability

**Q3.6 Have you established mechanisms/procedures to discuss with the relevant donors the outcome and impact of your trade-related programmes?**

Yes     
  No     
  Not sure/ NA

**If yes, please can you describe and exemplify them?**

### Priorities for improvement

**Q3.7 What are your government's priorities to improve the implementation and effectiveness of the aid for trade it receives? Please rank the top three in order of importance.**

- 
- |   |                                     |
|---|-------------------------------------|
| Greater say in the design of aid for trade interventions:                   | <input type="checkbox"/>            |
| Stronger donor focus on capacity development:                               | <input checked="" type="checkbox"/> |
| Better predictability of aid for trade funding:                             | <input checked="" type="checkbox"/> |
| More extensive use of Budget Support<br>(or Trade Sectoral Wide Approaches) | <input checked="" type="checkbox"/> |
| More regular joint-donor implementation actions                             | <input type="checkbox"/>            |
| More harmonised reporting requirements                                      | <input type="checkbox"/>            |
| More frequent joint donor-partner implementation efforts                    | <input type="checkbox"/>            |
| More systematic use of joint donor-partner monitoring<br>and evaluation     | <input type="checkbox"/>            |
| Other, please describe:   | <input type="checkbox"/>            |
- 

**Please, describe in detail the improvements needed in your top priority area**

Donor led initiatives to enhance GOB capacities also did not help much as they were often designed without due regard to actual needs, sustainability, and other local conditions. Capacity development initiatives were often fragmented, project based, overlooking the actual capacity needs, lacked comprehensiveness and a government wide approach. Initiative were often limited to some local and foreign training programs of officials. Very little has been done to enhance institutional capacity. In the absence of appropriate policy and career development practices, trained officials were not properly utilized due to frequent transfer of such officials. Frequent transfer of staff in the ministries, departments and agencies, dealing with aid management is another constraint that creates bottlenecks and hampers aid effectiveness. On the other hand, while major donors suppose to have adequate capacity, but some DPs reported a shortage of staff. Capacity to implement and monitor the progress of the PD has not been created in the field offices of DPs. Transfer of staff is also a problem. Some donors have addressed the issue by engaging local professional staff. Insufficient delegation of authority from headquarters to the field limits the capacity of many DPs to respond to emergencies and to make even very small adjustments, to accommodated implementation difficulties.

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### Sharing Knowledge

**Q3.8** Please identify and rank three areas of interventions (see Question 1.2 for a list of examples) where aid for trade has been most effective at raising trade capacity in your country.  
*(Please explain your choice)*

Area 1 Network Infrastructure Power, Water, Telecom

Area 2 Competitiveness

Area 3 Trade facilitation

**Q3.9** Are there any particular examples of your aid-for-trade processes, programmes or projects that have obtained good results that you think could contribute to the development of good practices?  
*[If so, please describe them below and attach any relevant documents.]*

- End of Section 3 -

**Please feel free to provide additional information on the implementation of your donor supported trade-related programmes and projects, *i.e.* aid for trade.**

## 4 ADDRESSING TRADE CAPACITY CONSTRAINTS AT THE REGIONAL LEVEL

**Q4.1 Do your trade strategies specifically address regional trade capacity challenges?**

Yes  No  Not sure/ NA

**If YES, please describe them:**

Bangladesh also attaches great importance on regional trade issues. In general Bangladesh trade strategies considering priority needs as well as exploring the potentials from regional integration such as customs procedures, transport, mutual recognition on SPS and TBT issues, harmonization of trade related measures which will lead to facilitate the trade. To address the regional trade capacity challenges sometimes capacity building regional seminars/workshop has organized in the region, where the countries are discuss and exchange the views on trade policy strategies.

**Q4.2 Do you participate in regional dialogues, programmes or activities aimed at promoting regional integration?**

Yes  No  Not sure/ NA

**If YES, can you tell us in how many of these you participate in and describe the most important ones to you? [Please describe below.]**

SAFTA, BIMSTEC, AFTA...

**Q4.3 Do you know if these regional dialogues, programs, and/or institutions receive aid for trade?**

Yes, they do  No, they don't  I don't know/ NA

**If YES, are you an active participant in the regional dialogues, programs and/or institutions?**

Yes  No  Not sure/ NA

**Q4.4 Do you participate in or benefit from aid-for-trade programmes implemented at the regional level?**

Yes  No  Not sure/ NA

**If YES, please describe the main benefits. [Please describe and quantify whenever possible.]**

- End of Section 4 -

**Please feel free to provide any additional information concerning the regional dimension of your trade strategies:** Regional trading arrangement is also a great concern for government of Bangladesh. To promote better trade relation in region, government has taken various steps for regional trading arrangements. In this connection, government has signed two free trade area agreements (FTA) namely SAFTA and BIMSTEC, and two preferential trading arrangements namely trade preferential system among the OIC countries and D-8 preferential trading arrangements. Meanwhile, Bangladesh also signed in the Asia Pacific Trade Agreement (APTA) which was introduced as the former Bangkok Agreement.

-- Thank you --