

DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEEREPORTING DIRECTIVES FOR THE CREDITOR REPORTING SYSTEM - Addendum on Aid for
Trade monitoring

In December 2007, the Working Party on Statistics (WP-STAT) agreed under the written procedure to monitor Aid for Trade flows through the Creditor Reporting System, using the methodology described in DCD/DAC/STAT(2007)12/REV2. AfT monitoring implies the following amendments to the CRS:

- introduction of a Trade Development policy marker; and*
- creation of a specific purpose code 33150 for Trade-related adjustment, under the Trade Policy and Regulations category, and changes to clarification notes for codes 33110, 33130 and 51010.*

This addendum to the CRS reporting Directives contains the Trade Development marker definition, instructions on where to place the new marker in the Unified Standard Input Format (USIF), and the new and modified CRS purpose codes (the list of CRS purpose codes has also been updated online at www.oecd.org/dac/stats/crs/directives).

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REPORTING DIRECTIVES FOR THE CREDITOR REPORTING SYSTEM
ADDENDUM ON AID FOR TRADE MONITORING

New policy marker for Trade development: text to be added to CRS Directives – paragraph 71

29. Trade development	<p>} 2=principal objective } 1=significant objective } 0=not targeted }</p>
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To satisfy donors' needs for transparency with regard to their AfT and to provide the Millennium Development Goal indicator relating to trade capacity building (of which trade development is a part), this marker identifies trade development within the "building productive capacity" category. Guidelines for the marker and the purpose codes concerned are given in Attachment 1.

New and modified CRS purpose codes:

Amendments to the list of CRS purpose codes are shown in Attachment 2: new code 33150 for Trade-related adjustment, and modified clarification notes for codes 33110, 33130 and 51010.

Attachment 1

Text to be added to CRS Directives - Annex 6

TRADE DEVELOPMENT	
DEFINITION	It is intended to enhance the ability of the recipient country to: a) formulate and implement a trade development strategy and create an enabling environment for increasing the volume and value-added of exports, diversifying export products and markets and increasing foreign investment to generate jobs and trade; or b) stimulate trade by domestic firms and encourage investment in trade-oriented industries.
An activity should be classified as trade development-oriented (score Principal or Significant) if:	
CRITERIA FOR ELIGIBILITY	a) The objective is explicitly promoted in activity documentation; and b) The activity contains specific measures to promote one or several of the trade development aspects below, at the institutional and enterprise level: - business support services and institutions; - access to trade finance; - trade promotion and market development in the production and service sectors.
EXAMPLES OF TYPICAL ACTIVITIES	– Business support services and institutions: establishment of business partnerships; investment climate assessments; assisting exporters in developing countries in locating potential importers worldwide; training package providing tools and materials regarding operational legal aspects of e-commerce. – Trade finance: Feasibility study on a pilot export development fund, innovative trade-related finance for SMEs. – Production and service sectors: support to fruit and vegetable marketing; increase the international competitiveness of SMEs active in textile and clothing sector, through increase of their productivity.

N.B. The trade development marker is not defined to cover all aspects of “Aid for Trade”. It is restricted to activities recorded under codes 240xx Banking and financial services, 25010 Business support services and institutions (score principal by definition), 311xx Agriculture, 312xx Forestry, 313xx Fishing, 321xx Industry, 322xx Mineral resources and mining and 33210 Tourism. Other components of “Aid for Trade” are captured separately through a number of sector codes.

Attachment 2

Text to be reported to the list of CRS purpose codes: CRS Directives - Annex 5

DAC 5 CODE	CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
331		TRADE POLICY AND REGULATIONS AND TRADE-RELATED ADJUSTMENT	
	33110 MODIFIED	Trade policy and administrative management	Trade policy and planning; support to ministries and departments responsible for trade policy; trade-related legislation and regulatory reforms; policy analysis and implementation of multilateral trade agreements e.g. technical barriers to trade and sanitary and phytosanitary measures (TBT/SPS) except at regional level (see 33130); mainstreaming trade in national development strategies (e.g. poverty reduction strategy papers); wholesale/retail trade; unspecified trade and trade promotion activities.
	33120 UNCHANGED	Trade facilitation	Simplification and harmonisation of international import and export procedures (e.g. customs valuation, licensing procedures, transport formalities, payments, insurance); support to customs departments; tariff reforms.
	33130 MODIFIED	Regional trade agreements (RTAs)	Support to regional trade arrangements [e.g. Southern African Development Community (SADC), Association of Southeast Asian Nations (ASEAN), Free Trade Area of the Americas (FTAA), African Caribbean Pacific/European Union (ACP/EU)], including work on technical barriers to trade and sanitary and phytosanitary measures (TBT/SPS) at regional level; elaboration of rules of origin and introduction of special and differential treatment in RTAs.
	33140 UNCHANGED	Multilateral trade negotiations	Support developing countries' effective participation in multilateral trade negotiations, including training of negotiators, assessing impacts of negotiations; accession to the World Trade Organisation (WTO) and other multilateral trade-related organisations.
	33150 NEW	Trade-related adjustment	Contributions to the government budget to assist the implementation of recipients' own trade reforms and adjustments to trade policy measures by other countries; assistance to manage shortfalls in the balance of payments due to changes in the world trading environment.
	33181 UNCHANGED	Trade education/training	Human resources development in trade not included under any of the above codes. Includes university programmes in trade.

DAC 5 CODE	CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
500		COMMODITY AID AND GENERAL PROGRAMME ASSISTANCE	<i>Note: Sector specific programme assistance is to be included in the respective sectors, using the sector programme flag if appropriate.</i>
510		General budget support	<i>Budget support in the form of sector-wide approaches (SWAps) should be included in the respective sectors.</i>
	51010 MODIFIED	General budget support	Unearmarked contributions to the government budget; support for the implementation of macroeconomic reforms (structural adjustment programmes, poverty reduction strategies); general programme assistance (when not allocable by sector).