

Aid-for-trade data: Creditor Reporting System

EXPLANATORY NOTE

Projects and programmes are part of aid for trade if these activities have been identified as trade-related development priorities in the partner country's national development strategies. The WTO Task Force concluded that aid for trade comprises the following categories: i) technical assistance for trade policy and regulations: for example, helping countries to develop trade strategies, negotiate trade agreements, and implement their outcomes; ii) trade-related infrastructure: for example, building roads, ports, and telecommunications networks to connect domestic markets to the global economy; iii) productive capacity building (including trade development): for example, supporting the private sector to exploit their comparative advantages and diversify their exports; iv) trade-related adjustment: helping developing countries with the costs associated with trade liberalisation, such as tariff reductions, preference erosion, or declining terms of trade; and, v) other trade-related needs: if identified as trade-related development priorities in partner countries' national development strategies.

The Creditor Reporting System (CRS) – a database covering around 90% of all ODA – was recognised as the best available data source for tracking global aid-for-trade flows. The CRS aid activity database was established in 1967 and collects information on official development assistance (ODA) and other official flows to developing countries. It is the internationally recognised source of data on aid activities (geographical and sectoral breakdowns) and is widely used by governments, organisations and researchers active in the field of development. For the OECD, the CRS serves as a tool for monitoring specific policy issues, including aid for trade. The policy and guidelines for CRS reporting are approved by DAC members as represented on the DAC Working Party on Statistics (WP-STAT). The OECD collects, collates and verifies the consistency of the data, and maintains the database.

The CRS enables the tracking of aid commitments and disbursements, and provides comparable data over time and across countries. The use of an existing database led to significant savings of time and resources to effectively track aid-for-trade flows. The use of CRS entailed some loss of detailed information about trade-related technical assistance and trade development that was collected in the joint OECD/WTO trade-related technical assistance and capacity building database (TCB). However, several modifications have been made to the CRS to adapt it to aid-for-trade needs.

It should be kept in mind that the CRS does not provide data that match exactly all of the above aid-for-trade categories. In fact, the CRS provides proxies under five headings:

i) *Technical assistance for trade policy and regulations.* In the CRS, five purpose codes are used to cover trade policy and regulations activities, in contrast to the 20 TCB codes. These five sub-categories are: a) trade policy and administrative management; b) trade facilitation; c) regional trade agreements; d) multilateral trade negotiations; and e) trade education/training.

ii) *Economic infrastructure.* Aid commitments for trade-related infrastructure are proxied in the CRS by data under the heading economic infrastructure. This heading covers data on aid for communications, energy and transport. To know how close the CRS proxies are (*e.g.* how much of the hypothetical energy project relates to trade), the CRS data must be compared with donors' knowledge of the specific features of their infrastructure aid. So far, only two donors (the United States and the World Bank) are able to provide more refined data concerning the trade component of economic infrastructure projects.

iii) *Productive capacity building (including trade development).* Data on commitments of aid for productive capacity building exist under the CRS category "building productive capacity". Since the first monitoring exercise, the CRS allows components of a productive capacity building project (*i.e.* the trade development policy marker) to be marked as relevant to trade development. It identifies trade development activities within the broader aid-for-trade category of building productive capacity (*i.e.* activities marked as contributing principally or significantly to trade development). This new category compensates the loss of precision of the CRS as compared to the TCB. Two caveats should be kept in mind when assessing the data: i) some donors have not used the trade development policy marker, reflecting the fact that this marker is used on a voluntary basis; b) the amounts presented under this category cannot be added to the global flows; they are part and parcel of the total flows on productive capacity building. In 2008, twelve members reported on the marker. The number of trade development activities is much smaller in the CRS than in members' TCB reporting for 2006 (over 3,800 activities were reported by 22 DAC members). In volume terms, the TCB total for 2006 was lower

at USD 2.1 billion though it should be recalled that only the “trade share” amount was recorded in the TCB and not the total value of the activity. The fact that CRS amounts for Belgium, New Zealand, Switzerland and the United Kingdom are about the same as, or lower than their TCB levels could therefore be an indication of incomplete reporting. For the other eight members, the CRS figure is around two to three times higher than in the TCB.

iv) Trade-related adjustment. A new subheading has been introduced in the CRS to track flows corresponding to trade-related adjustment as from the 2008 data collection of 2007 activities. This category identifies contributions to developing country budgets to assist the implementation of trade reforms and adjustments to trade policy measures by other countries, and alleviate shortfalls in balance-of-payments due to changes in the world trading environment. Only two members reported activities in this category in 2007, Canada (USD 0.3 million) and the European Commission (USD 17.4 million).

v) Other trade-related needs. The CRS covers all ODA, but only those activities reported under the above four categories will be identified as aid for trade. Data on ‘other trade-related needs’ cannot be gleaned from the CRS. To estimate the volume of such ‘other’ commitments, donors would need to examine aid projects in sectors other than those considered so far – for example in health and education – and indicate what share, if any, of these activities have an important trade component. A health programme, for instance, might permit increased trade from localities where the disease burden was previously a constraint on trade. Consequently, accurately monitoring aid for trade would require comparison of the CRS data with donor and partner countries self-assessments of their aid for trade.

The full list of aid-for-trade CRS purpose codes and their definitions can be found on the next page.

For further information on the definition of ODA, of commitments versus disbursements, or other methodological issues (e.g. guidelines for Trade Development policy marker and the purpose codes concerned), see the CRS Reporting Directives [available online at: <http://www.oecd.org/dac/stats/crs/directives>].

LIST OF AID-FOR-TRADE PURPOSE CODES AND DEFINITIONS

TRADE POLICY AND REGULATIONS and TRADE-RELATED ADJUSTMENT

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	TRADE POLICY AND REGULATIONS AND TRADE-RELATED ADJUSTMENT	
33110	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	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	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	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	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	Trade education/training	Human resources development in trade not included under any of the above codes. Includes university programmes in trade.

ECONOMIC INFRASTRUCTURE

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	TRANSPORT AND STORAGE	<i>Note: Manufacturing of transport equipment should be included under code 32172.</i>
21010	Transport policy and administrative management	Transport sector policy, planning and programmes; aid to transport ministries; institution capacity building and advice; unspecified transport; activities that combine road, rail, water and/or air transport.
21020	Road transport	Road infrastructure, road vehicles; passenger road transport, motor passenger

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
		cars.
21030	Rail transport	Rail infrastructure, rail equipment, locomotives, other rolling stock; including light rail (tram) and underground systems.
21040	Water transport	Harbours and docks, harbour guidance systems, ships and boats; river and other inland water transport, inland barges and vessels.
21050	Air transport	Airports, airport guidance systems, aeroplanes, aeroplane maintenance equipment.
21061	Storage	Whether or not related to transportation.
21081	Education and training in transport and storage	

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	COMMUNICATIONS	
22010	Communications policy and administrative management	Communications sector policy, planning and programmes; institution capacity building and advice; including postal services development; unspecified communications activities.
22020	Telecommunications	Telephone networks, telecommunication satellites, earth stations.
22030	Radio/television/print media	Radio and TV links, equipment; newspapers; printing and publishing.
22040	Information and communication technology (ICT)	Computer hardware and software; internet access; IT training. When sector cannot be specified.

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	ENERGY GENERATION AND SUPPLY	
23010	Energy policy and administrative management	Energy sector policy, planning and programmes; aid to energy ministries; institution capacity building and advice; unspecified energy activities including energy conservation.
23020	Power generation/non-renewable sources	Thermal power plants including when heat source cannot be determined; combined gas-coal power plants.
23030	Power generation/renewable sources	Including policy, planning, development programmes, surveys and incentives. Fuelwood/ charcoal production should be included under forestry (31261).
23040	Electrical transmission/distribution	Distribution from power source to end user; transmission lines.
23050	Gas distribution	Delivery for use by ultimate consumer.
23061	Oil-fired power plants	Including diesel power plants.
23062	Gas-fired power plants	
23063	Coal-fired power plants	
23064	Nuclear power plants	Including nuclear safety.
23065	Hydro-electric power plants	Including power-generating river barges.
23066	Geothermal energy	

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
23067	Solar energy	Including photo-voltaic cells, solar thermal applications and solar heating.
23068	Wind power	Wind energy for water lifting and electric power generation.
23069	Ocean power	Including ocean thermal energy conversion, tidal and wave power.
23070	Biomass	Densification technologies and use of biomass for direct power generation including biogas, gas obtained from sugar cane and other plant residues, anaerobic digesters.
23081	Energy education/training	Applies to all energy sub-sectors; all levels of training.
23082	Energy research	Including general inventories, surveys.

Note: Extraction of raw materials for power generation should be included in the mining sector.

Energy manufacturing should be included in the industry sector.

BUILDING PRODUCTIVE CAPACITY

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	BANKING AND FINANCIAL SERVICES	
24010	Financial policy and administrative management	Finance sector policy, planning and programmes; institution capacity building and advice; financial markets and systems.
24020	Monetary institutions	Central banks.
24030	Formal sector financial intermediaries	All formal sector financial intermediaries; credit lines; insurance, leasing, venture capital, etc. (except when focused on only one sector).
24040	Informal/semi-formal financial intermediaries	Micro credit, savings and credit co-operatives etc.
24081	Education/training in banking and financial services	

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	BUSINESS AND OTHER SERVICES	
25010	Business support services and institutions	Support to trade and business associations, chambers of commerce; legal and regulatory reform aimed at improving business and investment climate; private sector institution capacity building and advice; trade information; public-private sector networking including trade fairs; e-commerce. Where sector cannot be specified: general support to private sector enterprises (in particular, use code 32130 for enterprises in the industrial sector).
25020	Privatisation	When sector cannot be specified. Including general state enterprise restructuring or demonopolisation programmes; planning, programming, advice.

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	AGRICULTURE	
31110	Agricultural policy and administrative management	Agricultural sector policy, planning and programmes; aid to agricultural ministries; institution capacity building and advice; unspecified agriculture.
31120	Agricultural development	Integrated projects; farm development.
31130	Agricultural land resources	Including soil degradation control; soil improvement; drainage of water logged areas; soil desalination; agricultural land surveys; land reclamation; erosion control, desertification control.
31140	Agricultural water resources	Irrigation, reservoirs, hydraulic structures, ground water exploitation for agricultural use.
31150	Agricultural inputs	Supply of seeds, fertilizers, agricultural machinery/equipment.
31161	Food crop production	Including grains (wheat, rice, barley, maize, rye, oats, millet, sorghum); horticulture; vegetables; fruit and berries; other annual and perennial crops. [Use code 32161 for agro-industries.]
31162	Industrial crops/export crops	Including sugar; coffee, cocoa, tea; oil seeds, nuts, kernels; fibre crops; tobacco; rubber. [Use code 32161 for agro-industries.]
31163	Livestock	Animal husbandry; animal feed aid.
31164	Agrarian reform	Including agricultural sector adjustment.
31165	Agricultural alternative development	Projects to reduce illicit drug cultivation through other agricultural marketing and production opportunities (see code 43050 for non-agricultural alternative development).
31166	Agricultural extension	Non-formal training in agriculture.
31181	Agricultural education/training	
31182	Agricultural research	Plant breeding, physiology, genetic resources, ecology, taxonomy, disease control, agricultural bio-technology; including livestock research (animal health, breeding and genetics, nutrition, physiology).
31191	Agricultural services	Marketing policies & organisation; storage and transportation, creation of strategic reserves.
31192	Plant and post-harvest protection and pest control	Including integrated plant protection, biological plant protection activities, supply and management of agrochemicals, supply of pesticides, plant protection policy and legislation.
31193	Agricultural financial services	Financial intermediaries for the agricultural sector including credit schemes; crop insurance.
31194	Agricultural co-operatives	Including farmers' organisations.
31195	Livestock/veterinary services	Animal health and management, genetic resources, feed resources.

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	FORESTRY	
31210	Forestry policy and administrative management	Forestry sector policy, planning and programmes; institution capacity building and advice; forest surveys; unspecified forestry and agro-forestry activities.
31220	Forestry development	Afforestation for industrial and rural consumption; exploitation and utilisation; erosion control, desertification control; integrated forestry projects.
31261	Fuelwood/charcoal	Forestry development whose primary purpose is production of fuelwood and charcoal.
31281	Forestry education/training	
31282	Forestry research	Including artificial regeneration, genetic improvement, production methods, fertilizer, harvesting.

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
31291	Forestry services	

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	FISHING	
31310	Fishing policy and administrative management	Fishing sector policy, planning and programmes; institution capacity building and advice; ocean and coastal fishing; marine and freshwater fish surveys and prospecting; fishing boats/equipment; unspecified fishing activities.
31320	Fishery development	Exploitation and utilisation of fisheries; fish stock protection; aquaculture; integrated fishery projects.
31381	Fishery education/training	
31382	Fishery research	Pilot fish culture; marine/freshwater biological research.
31391	Fishery services	Fishing harbours; fish markets; fishery transport and cold storage.

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	INDUSTRY	
32110	Industrial policy and administrative management	Industrial sector policy, planning and programmes; institution capacity building and advice; unspecified industrial activities; manufacturing of goods not specified below.
32120	Industrial development	
32130	Small and medium-sized enterprises (SME) development	Direct support to the development of small and medium-sized enterprises in the industrial sector, including accounting, auditing and advisory services.
32140	Cottage industries and handicraft	
32161	Agro-industries	Staple food processing, dairy products, slaughter houses and equipment, meat and fish processing and preserving, oils/fats, sugar refineries, beverages/tobacco, animal feeds production.
32162	Forest industries	Wood production, pulp/paper production.
32163	Textiles, leather and substitutes	Including knitting factories.
32164	Chemicals	Industrial and non-industrial production facilities; includes pesticides production.
32165	Fertilizer plants	
32166	Cement/lime/plaster	
32167	Energy manufacturing	Including gas liquefaction; petroleum refineries.
32168	Pharmaceutical production	Medical equipment/supplies; drugs, medicines, vaccines; hygienic products.
32169	Basic metal industries	Iron and steel, structural metal production.
32170	Non-ferrous metal industries	
32171	Engineering	Manufacturing of electrical and non-electrical machinery, engines/turbines.
32172	Transport equipment industry	Shipbuilding, fishing boats building; railroad equipment; motor vehicles and motor passenger cars; aircraft; navigation/guidance systems.
32182	Technological research and development	Including industrial standards; quality management; metrology; testing; accreditation; certification.

Note: Only includes aid to production or manufacturing.

Provision of finished products should be included under relevant sector.

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	MINERAL RESOURCES AND MINING	
32210	Mineral/mining policy and administrative management	Mineral and mining sector policy, planning and programmes; mining legislation, mining cadastre, mineral resources inventory, information systems, institution capacity building and advice; unspecified mineral resources exploitation.
32220	Mineral prospection and exploration	Geology, geophysics, geochemistry; excluding hydrogeology (14010) and environmental geology (41010), mineral extraction and processing, infrastructure, technology, economics, safety and environment management.
32261	Coal	Including lignite and peat.
32262	Oil and gas	Petroleum, natural gas, condensates, liquefied petroleum gas (LPG), liquefied natural gas (LNG); including drilling and production.
32263	Ferrous metals	Iron and ferro-alloy metals.
32264	Nonferrous metals	Aluminium, copper, lead, nickel, tin, zinc.
32265	Precious metals/materials	Gold, silver, platinum, diamonds, gemstones.
32266	Industrial minerals	Baryte, limestone, feldspar, kaolin, sand, gypsum, gravel, ornamental stones.
32267	Fertilizer minerals	Phosphates, potash.
32268	Offshore minerals	Polymetallic nodules, phosphorites, marine placer deposits.

CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
	TOURISM	
33210	Tourism policy and administrative management	