

Foreword

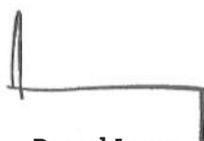
This report – the first global Aid for Trade at a Glance – represents the fruit of an unprecedented collaboration not only between our two organisations, but also between the broader trade and development communities. In today's globalised world there is clear evidence that trade is a powerful engine for economic growth which is essential for poverty reduction. But many developing countries lack the basic capacity – whether in terms of policies, institutions or infrastructure – to take advantage of trade opening and a more interconnected world economy. The challenge is essentially one of global policy coherence – how to better harness trade for development, and development assistance for trade.

To address this challenge, the WTO's 2005 Hong Kong Ministerial Conference called for the expansion of Aid for Trade to help developing countries, and in particular the least-developed, benefit from WTO agreements and, more broadly, expand their trade. However, Aid for Trade is not just a question of more money. In fact, the development community has invested great efforts in improving aid effectiveness through local ownership, alignment around national systems and strategies, harmonised donor efforts and management for results. These principles encapsulated in the Paris Declaration on Aid Effectiveness have been acknowledged as the guiding principle in the delivery of Aid for Trade.

In 2006, the WTO Task Force on Aid for Trade identified a broad range of assistance activities that need to be connected in a coherent trade and development strategy to ensure that trade works for all developing countries. In particular, it called on the WTO – working with the OECD – to better monitor Aid for Trade to provide incentives for more and better Aid for Trade through enhanced mutual accountability.

Over the past year, we have worked closely together to establish a joint OECD/WTO monitoring system based on data on global flows of development aid (ODA), as well as feedbacks from donor and partner countries. This report marks the culmination of these efforts, and is the first of what we hope will become a regular “spotlight” on Aid for Trade.

We trust that this first instalment will encourage Members to contribute even more to future rounds of monitoring, ensuring that the next report offers an even wider coverage of partner countries and regional perspectives. We are aware that this task remains a work in progress – and will be looking to Members for feedback, guidance and inputs to further develop and strengthen the monitoring framework. Above all, we strongly believe that the monitoring process should do more than just count ODA flows; it should provide a tool for both donors and their partner countries to foster dialogue, to signal their commitment to the Aid for Trade Initiative and, more generally, to improve the effectiveness of Aid for Trade.



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