

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.

UNCTAD has an Aft strategy that derives from its role as the focal point of the UN system for the integrated treatment of trade and development and its mission to promote development through trade. The Twelfth UNCTAD Conference (April 2008) provided that: Aft should aim to help developing countries in their efforts to implement and benefit from trade liberalization and reform so as to build productive capacities and trade-related infrastructure based on each country's needs and priorities; UNCTAD continues to develop and implement Aft projects and to provide focused support in building developing countries' capacity to meaningfully participate in and benefit from the international trading system and address its opportunities and challenges; and directed UNCTAD to focus inter alia on enhancing its work on the linkages between trade and internationally agreed development goals and objectives, including the Millennium Development Goals (encompassing poverty alleviation). Accordingly, UNCTAD's Aft strategy seeks to build capacities by delivering advisory services, training and institution building through national, regional and interregional capacity building projects and programmes for: formulating policies on trade, commodities, environment and trade, investment, technology (including IT), enterprise development/financing, accounting and insurance; services sectors; adjusting to trade agreements; improving customs operations and transport connections; and enhancing market access and entry (e.g. meeting product standards and regulations, trade analysis capacities and information systems, addressing NTBs), removing anticompetitive practices, participating in trade negotiations, and WTO accession processes). Sources of financing include trust funds, UNDP contributions and the UN programme budget (88.1% , 3.9% and 8% respectively in 2007).

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

Please describe and exemplify.

UNCTAD continues to work to better conceptualize, monitor and identify ways to enhance Aft and its effectiveness, including through participation in the WTO D-G's Advisory Group on Aft and coordination of activities with agencies such as WTO and the Bretton Woods institutions. Since 2007, UNCTAD has strengthened its role in the interagency mechanisms (including the UN "Delivering as One" process). A major locus for coherence is the UN Cluster on Trade and Productive Capacity (formally launched at UNCTAD XII), which aims to deliver a coordinated UN approach in country-level operations. It comprises UNCTAD, UNIDO, FAO, World Tourism Organization, ITC, all the UN regional commissions, ILO, UNOPS and UNEP. UNCTAD has co-published a book, together with the UN University, on "Aid for Trade and Development: Global and Regional Perspectives", compiling contributions on Aft with several UN agencies. The Cluster has formulated and undertakes, in 8 pilot countries, joint technical assistance programmes, projects and missions in the trade-related area, including for ensuring operational linkages between trade, poverty reduction and human development. UNCTAD is an executing agency for the Enhanced Integrated Framework for LDCs, focusing on support for mainstreaming trade into national development plans/PRSPs. UNCTAD's own technical assistance activities are being grouped into 17 thematic clusters and projects are being consolidated. As mandated by UNCTAD XII, UNCTAD's technical assistance has strengthened its emphasis on South-South cooperation and on

practical solutions.

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

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

Please describe and exemplify.

The Accra Accord, adopted by UNCTAD member States at UNCTAD XII, provide inter alia that: Aft should be adequately resourced and implemented, through multilateral and bilateral channels, with the UN and other multilateral organizations playing an important role; implementation, monitoring and evaluation mechanisms should ensure efficient and effective utilization of Aft resources; additional, predictable, sustainable and effective financing is fundamental to fulfilling the Aft mandate; beneficiary countries should mainstream trade and integrate Aft into their development strategies, in accordance with their national priorities, as a basis for effective and sustainable support; implementation and effective use of Aft can help developing countries to put in place accompanying measures that assist them in implementing and benefiting from WTO agreements and more broadly in expanding their trade; Aft cannot be a substitute for the development benefits resulting from a successful and balanced outcome of the Doha Round but will be a valuable complement to them; the international community, especially donors and international financial institutions, should ensure that Aft is comprehensive in scope and delivered effectively, taking into account, as applicable, the Paris Declaration on Aid Effectiveness; Aft should meet the common and specific needs of developing countries in a demand-driven and needs-based manner, thus reflecting the priorities of beneficiaries and being consistent with their development priorities.

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.

UNCTAD is an implementing and not a donor agency and obtains its funds for delivering Aft from the trusts funds, UNDP and UN programme budget. In 2007 and 2008, UNCTAD's total expenditures on technical cooperation were respectively \$31.5 million and over \$37 million (provisional 31 December 2008).

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

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.

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.

UNCTAD's trade-related technical cooperation activities are financed from three main sources: trust funds (i.e. voluntary contributions from donors), UNDP and the United Nations programme budget (and Development Account). Overall expenditures from all three sources amounted to \$31.5 million in 2007, a contraction of more than 10% as compared with 2006. It should be noted that 2006 was an exceptional year, in which expenditures on technical cooperation increased by 16 per cent over 2005. Over a five-year period – from 2003 and 2007 – expenditures on technical cooperation grew on average by 3.2 per cent annually. Trust funds are the major source of financing for UNCTAD technical cooperation, and in 2007 accounted for 88% of total expenditures. Total UNCTAD expenditures on technical cooperation under the United Nations programme budget (and Development Account) amounted to \$2.5 million, i.e. 8% of total expenditures. Expenditures on UNDP-financed projects dropped from \$1.4 million in 2006 to \$1.2 million in 2007, and accounted for 4 per cent of overall expenditures. From among the three main sources of funding for UNCTAD's Aft activities, voluntary trust funds remains the single most important and increasing source; UN regular budget accounts for a small share; while UNDP is declining in importance.

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.

UNCTAD has a wide-ranging experience of over 40 years on trade and development capacity-building, providing developing countries with an integrated perspective on trade and development strategies and policies, and promoting coherence in this regard at national, regional and international levels. AfT activities, as part of UNCTAD's overall technical cooperation and capacity-building operations, draw upon and benefit from the intergovernmental policy dialogue/consensus-building and analytical research/policy recommendations functions of UNCTAD, thus ensuring full integration of AfT into UNCTAD's development strategy. While UNCTAD is a non-resident agency, it is undertaking efforts to obtain the benefits of in-country presence through intra-UN agency cooperation, especially with UNDP, enabling UNCTAD to better ensure that country-level plans include trade-related policies and assistance among their priorities, that institutional and process linkages between trade policies and national development strategies are strengthened and that national needs assessments involve consultations with all relevant stakeholders

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 type="checkbox"/> less than 25% | <input type="checkbox"/> 25% to 50% | <input type="checkbox"/> 50% to 75% | <input checked="" type="checkbox"/> above 75% | <input type="checkbox"/> Not sure / Not applicable |
|--|-------------------------------------|-------------------------------------|---|--|

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 type="checkbox"/> 25% to 50% | <input type="checkbox"/> 50% to 75% | <input checked="" type="checkbox"/> above 75% | <input type="checkbox"/> Not sure / Not applicable |
|--|-------------------------------------|-------------------------------------|---|--|

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 |
|--|---|---|-----------------------------------|--|

If increased, from which countries / regions, and for which Aid for Trade categories / sectors?

Please describe and exemplify.

Demand from member States for UNCTAD's trade-related technical assistance in most cases exceeds the existing capacity (financial and human) of UNCTAD to respond to all of them at the same time. Requests for support from countries in the process of acceding to the WTO, for example, include both accession related issues such as training of trade negotiators, as well as support for regulatory and institutional reform including through undertaking comprehensive national and sectoral studies. UNCTAD provides such assistance to 19 countries undergoing WTO accession. One of these countries, Azerbaijan requested UNCTAD's support in 2008 in undertaking over 32 activities including 13 sectoral studies, 8 advisory missions and consultative assistance, 10 training courses and 1 regional event for UN-SPECA countries in preparation for WTO accession. In view of limited resources, UNCTAD has been able to respond to only four studies and two advisory missions.

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 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 type="checkbox"/>	Increased coordination among donors (e.g. joint assessment, joint delivery, etc.)
<input type="checkbox"/>	<i>Please feel free to add other steps you have taken</i>

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

UNCTAD, as requested by its member States, has launched a process of consolidating its many individual technical assistance projects into 17 main thematic clusters. It is envisaged that gradually UNCTAD's Aft activities will also come under these main clusters.

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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input 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?

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Not sure/Not applicable
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If yes, what are its key elements or particular focuses?

Please describe and exemplify.

In line with the Accra Accord, UNCTAD works to harness the potentials of South–South cooperation fully as a real complement to, and not a substitute for, North–South cooperation; supports South–South cooperation, including through the exchange of experiences and institution-building; maintains and upgrades data and analytical tools on South–South trade and strengthened its related technical assistance programmes; and continues its support for the revitalization and greater utilization of the Global System of Trade Preferences among Developing Countries and other initiatives that stimulate South–South trade. UNCTAD has supported networks to mobilize trade financing for South–South trade. It supports the operations of Global Network of Exim Banks and Development Finance Institutions. UNCTAD also supports training of officials in implementing regional competition policies in the West African Monetary and Economic Union, and COMESA. There is also consensus among agencies participating in the Trade and Productive Capacity Cluster that: South–South AfT deserves special attention in terms of monitoring and assessment and that UNCTAD should play a key role in monitoring and assessing South–South AfT See also answer to Q.5.1 below.

Q3.7 How much of your Aid for Trade is aligned with your partners' country systems (based on your best estimate)?

- | | | | | |
|--|-------------------------------------|-------------------------------------|---|--|
| <input type="checkbox"/> less than 25% | <input type="checkbox"/> 25% to 50% | <input type="checkbox"/> 50% to 75% | <input checked="" type="checkbox"/> above 75% | <input type="checkbox"/> Not sure / Not applicable |
|--|-------------------------------------|-------------------------------------|---|--|

Please feel free to provide any other relevant information in relation to harmonisation and alignment.

See answer to Q.1.3.

4 MONITORING RESULTS, EVALUATION AND MUTUAL ACCOUNTABILITY

Q4.1 Does your Strategy include specific monitoring and evaluation guidelines for Aid for Trade programmes?

- | | |
|--|--|
| <input type="checkbox"/> Specific to Aid for Trade | <input checked="" type="checkbox"/> 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.

For each project, annual reports are provided assessing the impact over the year concerned. Each year member States are briefed on and discuss the result of UNCTAD's trade-related work in the previous year. Each year one (or two) projects or thematic area of technical cooperation are taken up for independent evaluation which is then presented to member States. With each project, there is a standard provision for external evaluation on the results accomplished.

Q4.2 Do you regularly monitor the potential trade impact of your aid projects / programmes?

- | | | |
|---|-----------------------------|--|
| <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Not sure/Not applicable |
|---|-----------------------------|--|

If yes, please describe how.

Please describe and exemplify.

See answer to Q4.2 above. In addition, within the framework of the Cluster on Trade and Productive Capacity, UNCTAD is involved in the evaluation of progress in the eight pilot countries. The first step - an assessment of the "evaluability" of the pilot initiatives - has already taken place, with UNCTAD leading the UN Evaluation Group (UNEG) team for Albania. This will be followed by a process evaluation and an evaluation of the results and impacts from 2009 to 2011. The UN system is also supporting pilot countries to evaluate and exchange their experiences with the support of UNEG

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

Please describe and exemplify.

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: 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.

Partner country stakeholders, as beneficiaries, are always consulted on the evaluation of the project to be undertaken. They are often requested to be involved in development the indicators to evaluate the quality of aid provided.

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.

As mentioned in response to Q4.2, each year an external evaluation is undertaken of an UNCTAD project. The evaluators include an international consultation, a beneficiary country evaluator and a donor country evaluator. The results of the evaluation are then presented to the Working Party on the Medium Term and Programme Budget at its annual September meeting.

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

Realistic targets and indicators of achievements should, to the extent possible, be identified with appropriate country-level management strategies and measurement tools to ensure country-level results. However, the administrative capacities of the Governments of beneficiary countries should not be unduly burdened.

5 REGIONAL DIMENSION

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

- | | | | | |
|---|--|--|--------------------------------------|--|
| <input checked="" type="checkbox"/> Essential element | <input type="checkbox"/> Important element | <input type="checkbox"/> Minor element | <input type="checkbox"/> Not present | <input type="checkbox"/> Not sure / Not applicable |
|---|--|--|--------------------------------------|--|

If essential or important, please describe how your Aid for Trade strategy addresses regional challenges.

Please describe and exemplify.

The Accra Accord provides that UNCTAD should: help develop capacities in developing countries and countries with economies in transition to establish their own negotiating priorities, and their capacity to negotiate and implement bilateral, regional and multilateral trade agreements; promote coherence and consistency of regional trade agreements with the multilateral trading system; and support and strengthen regional cooperation mechanisms. UNCTAD's regional technical assistance priorities are in line with the Accord and will continue to reflect the insights provided by relevant UNCTAD meetings and research, including multi-year expert meetings on South–South cooperation and regional integration, an ad hoc expert group on promoting coherence and consistency of regional trade agreements with the multilateral trading systems, a recurrent publication the new geography of international economic relations, with special reference to South–South cooperation and an UNCTAD contribution towards a UNU report on regional integration. There is a consensus among agencies participating in the Trade and Productive Capacity Cluster that the role of regional integration is crucial to the success of Aft implementation.

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 checked="" type="checkbox"/>	Relevance to ongoing regional trade agreements / negotiations
<input checked="" type="checkbox"/>	Regional proximity / support to neighbouring regional economic integration processes
<input type="checkbox"/>	Cultural, linguistic or historical ties with the region
<input checked="" type="checkbox"/>	Existence of a viable counterpart at regional level
<input checked="" type="checkbox"/>	Request for assistance from a regional body
<input checked="" 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>

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 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	Lack of (or weak) articulated demands for regional Aid for Trade
<input checked="" type="checkbox"/>	Lack of coherence between national and regional priorities
<input type="checkbox"/>	Lack of credible lending authorities at regional level
<input checked="" 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>
<input type="checkbox"/>	Sustainability of aid for trade funding is often compromised by short time frame for implementation of AfT projects

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
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If yes, in which regions and for which activities has it increased the most?

Please describe and exemplify.

In Africa and LDCs, as well as for small and vulnerable developing economies. Key areas of demand include investment issues, trade negotiations and WTO accession, non-tariff barriers, South-South trade and economic integration, technology policy reviews, competition policy reviews, trade and transit facilitation, climate change impact, and commodities development.

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

UNCTAD research indicates there is a considerable diversity in the structure of AfT within and across regions. It should be ascertained whether or to what extent this diversity is related to differences in the needs or requests of AfT recipients or rather reflects variances in donor priorities. Some specific areas where regional cooperation could be strengthened include, for instance, trade and transit facilitation, transport infrastructure, energy and water supply, industrial projects and research, technology development, and standards, testing and conformity and mutual recognition of qualifications. In general, region-specific needs assessment for AfT are crucial, underpinned by empirical research and analytical capacities