

# **WORLD TRADE ORGANIZATION (WTO)**

## **Support to NEPAD**

**Period of Report: July 2007 to June 2008**

WTO supports the building of trade-related capacity of African countries and facilitates their integration into the multilateral trading system, particularly through programmes like JITAP and the Integrated Framework. Africa remains the core of WTO technical assistance activities.

41 African countries are members of the WTO, nine are in the process of accession while two are neither members nor observers of the WTO system.<sup>1</sup> Cape Verde will become the 42<sup>nd</sup> African WTO Member or the 153 WTO Member on 23 July 2008.

### **Technical assistance and capacity building**

The technical assistance strategy of WTO for Africa aims to support trade and economic reform in African countries, as well as their integration into the multilateral trading system.

At the Doha Ministerial Conference, Ministers welcomed the orientation of WTO technical cooperation for building human and institutional capacity related to multilateral trade issues. The core objectives of technical assistance are: human capacity building on trade policy issues; institutional capacity development for trade policy formulation, advocacy and negotiations; support for other inter-governmental organisations/multilateral agencies in addressing supply-side constraints; and, technical support to assist African countries in mainstreaming trade policy into macroeconomic and regulatory policy so that trade becomes a true engine for development.

In 2007, out of a total of 457 trade-related technical assistance activities organised and executed by WTO, 166 (representing 36.5 percent) benefited African countries. African countries continued to benefit from various WTO training activities including the 12 week Geneva-based training courses for government officials, the regional three-month trade policy courses, the Intensive Courses on Trade Negotiations Skills, the Doha Development Agenda Advanced Training courses, as well as other specialised and introductory courses of shorter duration. In addition, WTO has arrangements with the

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<sup>1</sup> Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Congo, Côte d'Ivoire, Dem. Republic of Congo, Djibouti, Egypt, Gabon, Gambia, Ghana, Guinea, Guinea Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia, and Zimbabwe are members. Cape Verde has successfully concluded its accession negotiations and is set to become a WTO member shortly. Algeria, Comoros, Equatorial Guinea, Ethiopia, Liberia, Libya, Sao Tome and Principe, Seychelles and Sudan are in the process of accession to the WTO. Eritrea and Somalia are neither members nor observers.

African Development Bank (AfDB), the United Nations Economic Commission for Africa (UNECA), the University of Western Cape and the University of Pretoria for training African trade policy officials and negotiators, and assisting the process of institutional trade capacity building in African countries. The WTO Secretariat extends invitations to the NEPAD Secretariat to participate in these trade policy courses. Increased logistic and substantive support is also provided for the WTO African Group in Geneva which has become one of the centres for the development of trade policy for Africa.

WTO technical cooperation extends to providing support for those Members which do not have physical representation in Geneva, including the preparation of regular briefing notes, and the holding of an annual week of briefings known as "Geneva Week". "Geneva week" provides non-residents with the opportunity to be briefed by Secretariat staff, to receive training in the use of information technology, to interact with Geneva-based delegations, and to participate in aspects of WTO's work.

The use of IT tools, particularly a new on-line documents system, also facilitates access to information. The WTO Reference Centre programme provides Members with the hardware and software to make use of IT tools to access the wealth of information on WTO website and other digital carriers developed by the WTO. Out of the around 140 Reference Centres established so far, close to 60 are in Africa. A WTO Reference Centre has been established at the African Union Commission in Addis Ababa.

### **The Integrated Framework for trade-related technical assistance**

The Integrated Framework (IF) is a unique instrument of coherence that is intended to ensure maximum use of scarce resources in support of enabling Least Developed Countries (LDCs) to be full and active players in, and benefit from, the multilateral trading system. The IF enables LDCs to work with six agencies (IMF, ITC, UNCTAD, UNDP, World Bank, and WTO) as well as with other development partners, including the donor community, to ensure that national trade policies are integrated into their respective development strategies and assists in the coordinated delivery of trade-related assistance. Implementation of the IF process results in a list of trade priorities drawn up by the IF beneficiary countries and, based on that list, the identification of bankable and deliverable projects. The IF supports LDCs in mainstreaming trade integration strategy chapters into their national development plans and poverty reduction strategy papers. The reflection of trade priority areas of action in development plans will not only ensure that trade is central to development plans, but also that trade-related technical assistance and capacity-building are delivered within a coherent policy framework and not on a stand-alone basis.

In the period under review, much work has been carried out to finalize the enhancement of the IF (EIF). The EIF is not a new initiative but an enhanced version of the IF that has been in place since 1997. The key principles at the core of the IF as well as the EIF are: country-ownership of the process; tripartite partnership (LDCs, IF Agencies, and donors

and other development partners); demand-driven and tailor-made approach; and participatory approach (especially by involving the private sector at all stages). One of the key elements of the EIF is building strong in-country capacities in LDCs to manage, implement and monitor the IF process, and by doing so, to use trade as an engine for growth.

The benefits of the Integrated Framework are currently being accorded to thirty two African LDCs (Angola, Benin, Burkina Faso, Burundi, Cape Verde, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, Ethiopia, The Gambia, Guinea, Guinea Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, Sudan, Tanzania, Togo, Uganda and Zambia, as well as Eritrea which has taken a pause from the IF process).

### **The Joint Integrated Technical Assistance Programme (JITAP)**

The Joint Integrated Technical Assistance Programme (JITAP) is a major capacity-building programme put in place by WTO, UNCTAD and ITC to address trade-related capacity constraints of African countries. The main objectives of JITAP are: building capacity and strengthening national knowledge base on the multilateral trading system in the partner countries for more effective participation in trade negotiations, implementation of WTO agreements, formulation of trade-related policies, improving supply capacity and market knowledge of exporting, and export-ready enterprises to derive benefits from business opportunities resulting from better market access under the multilateral trading system.

During 2006-2007, the programme covered sixteen African countries, namely, Bénin, Botswana, Burkina Faso, Cameroon, Côte d'Ivoire, Ghana, Kenya, Malawi, Mali, Mauritania, Mozambique, Senegal, Tunisia, Uganda, United Republic of Tanzania and Zambia. The estimated budget was close to \$24 million. The sixteen countries represent a careful balance among LDCs, non-LDCs, different sub-regions of Africa, and different linguistic groupings.

### **Aid for trade**

WTO attaches great importance to Aid for Trade. To highlight the importance of developing the trade capacity of African countries, a delegation of WTO led by the Director-General participated in the Aid for Trade conference held in October 2007 in Tanzania. As a follow-up to the Tanzania conference, the WTO hosted in November 2007 a "Global Aid for Trade Review" conference in Geneva.

WTO described the aim of the conference on Aid for Trade as helping African countries build capacity they want and need to expand trade and integrate into the global economy. The first step towards mobilizing Aid for Trade is to make trade capacity and infrastructure a national priority shared across government - including trade, finance,

planning, agriculture and other key ministries. The second is to mobilize the financing required, and the third is to focus on the role of the private sector, because it is the farmers, businesses and companies that trade. African countries need access to the basic infrastructure that drives today's globalization, that is: the 21<sup>st</sup> century transport corridors and telecommunications networks that can connect African exporters to world markets; modern customs facilities that can move products rapidly and efficiently across borders; testing laboratories to ensure that African exporters meet international standards; and the sophisticated expertise and institutions that Africa needs to navigate a highly complex world trading system.

WTO is coordinating with a host of institutions including AfDB, UNECA, NEPAD Secretariat, World Bank, IMF and UNDP to realize the goals of Aid for Trade.

### **Accessions**

In December 2007 the WTO General Council cleared the path for Cape Verde's membership in the WTO by approving the accession package of Cape Verde. Following domestic ratification, Cape Verde is set to become the 42<sup>nd</sup> African WTO Member or the 153<sup>rd</sup> WTO Member on 23 July 2008. Cape Verde will be the first African nation to accede under Article XII procedures of the WTO Agreement.

The WTO provides specific technical assistance for countries in accession. Technical assistance is provided on a priority basis, in particular to LDCs, for the preparation of Working Party documentation, preparation of market access offers, and to generate awareness and understanding of the WTO and its Agreements. WTO also organizes workshops and seminars to inform stakeholders in acceding countries about the role and functioning of the multilateral trading system. The WTO has enhanced its e-training and outreach activities on accessions. A Handbook on Accessions to the WTO has been recently published and a new e-training course on accessions has also been launched on the WTO Website. WTO training and technical assistance has helped a number of African countries in their accession negotiations.

### **Trade Policy Review Mechanism**

The WTO Trade Policy Review Mechanism is a valuable forum for institutional trade capacity building and for achieving transparency and understanding of the trade policies and practices of WTO Members, thus contributing to the smoother functioning of the multilateral trading system. The reviews enhance understanding of the WTO Agreements, enabling better compliance and integration into the multilateral trading system, in some cases, better interaction between government agencies is facilitated by the reviews. The wide coverage of Members' policies in the TPRs also enables Members to identify any shortcomings in policy and specific areas where further technical assistance may be required. As of June 2008, thirty-nine African countries had their national trade policies reviewed by the WTO Trade Policy Review Body (some of them more than once).