

# **WORLD TRADE ORGANISATION (WTO)**

## **Support to NEPAD**

**Period of Report: 2004 - 2005**

### **Introduction**

Although NEPAD at present does not have any formal relationship with the WTO, there is an increasing level of interaction between the NEPAD Secretariat and the WTO, both at the policy and operational level, geared towards associating NEPAD more fully and directly in WTO's activities. A first briefing by the Head of the NEPAD Secretariat to the Members of the WTO, through the Committee on Trade and Development (CTD), took place in 2002 and a second such briefing is tentatively scheduled to take place in May 2005.

The WTO Secretariat Technical Assistance (TA) Plan 2004, as well as the TA Plan 2005, continue to accord priority to the delivery of technical assistance to least-development countries (LDCs), the majority of which are in Africa. While it is strictly impossible to provide precise data on the financial disbursements for Trade-Related Technical Assistance (TRTA) provided to Africa in the NEPAD context, it is fairly safe to state that roughly one third (i.e. an estimated CHF10-12 million) of all funds available for TRTA in the WTO, including regular and extra-budgetary (i.e. through the Doha Development Agenda Global Trust Fund (GTF)) have been put to use for Africa. To this amount should be added the programmes and processes which have their own funding and financing mechanisms, such as the Joint Integrated Technical Assistance Programme (JITAP) and the Integrated Framework (IF).

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

The WTO supports NEPAD's main objectives in the field of trade, particularly through its technical assistance activities for African countries. The detailed report covering all TRTA activities conducted in 2004 is expected to be published in spring 2005. A major focus of the NEPAD trade theme is technical assistance and institutional capacity building to enhance Africa's participation in the Multilateral Trading System (MTS). The WTO technical assistance strategy for Africa aims to support Africa's trade and economic reform as well as its process of integration into the MTS.

In 2004, out of a total of 501 TRTA activities organised and executed by the WTO, 178 came to the benefit of African countries, which corresponds to some 36 per cent of all activities. Out of this total, 101 were national and 58 were regional. The LDC community has benefited from 40% of all WTO's TRTA activities. Thus, African countries continue 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

(TPCs), the Doha Development Agenda (DDA) Advanced Training courses, as well as other specialized and introductory courses of shorter duration. In addition, the WTO has arrangements with the African Development Bank (AfDB) and the United Nations Economic Commission for Africa (UN-ECA) 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 TPCs. NEPAD has been invited to attend the so-called Geneva weeks, geared towards informing and bringing up to speed the non-residents, i.e. those delegations with no official representation at the WTO. NEPAD's attendance was considered very useful. Moreover, the two Secretariats are currently exploring ways and means to strengthen and deepen their joint cooperation.

### **The integrated framework for trade-related technical assistance**

NEPAD highlights the need for African governments, the private sector and other institutions of civil society to commit to the genuine integration of all nations into the global economy, thereby ending Africa's economic marginalization and poverty, and recognises the Poverty Reduction Strategy Papers (PRSP) process as a core vehicle for building Continent-wide priorities into national poverty reduction programs and coordinating international support.

The IF is a unique instrument of coherence that is intended to ensure maximum use of scarce resources in support of enabling LDCs to be full and active players and beneficiaries of the MTS. The IF enables countries which have been designated as LDCs to work with the six agencies (IMF, ITC, UNCTAD, UNDP, the World Bank, and the WTO) as well as with other development partners and the donor community, to ensure that national trade policies are integrated into their respective development strategies. The IF assists LDCs (34 out of the 50 LDCs are African) to mainstream 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 and PRSPs will not only ensure that trade is central to development plans, but also that TRTA and capacity-building are delivered within a coherent policy framework and not on a stand-alone basis.

The benefits of the IF are currently being accorded to 23 African LDCs (Angola, Benin, Burkina Faso, Burundi, Chad, Djibouti, Ethiopia, Guinea, Lesotho, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone, The Gambia, Tanzania, Uganda, and Zambia). At the 31<sup>st</sup> meeting of the Integrated Framework Working Group (IFWG), South Africa requested the application of the IF model to African countries within the context of NEPAD.

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

The Joint Integrated Technical Assistance Programme (JITAP) for Selected African countries and LDCs 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 based on the MTS in the partner countries for more effective participation in the trade negotiations, implementation of the WTO agreements, and formulation of related trade policies; and 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 MTS.

Between 1998 and 2002, the programme covered eight countries namely, Bénin, Burkina Faso, Côte d'Ivoire, Ghana, Kenya, Tunisia, Uganda and the United Republic of Tanzania. 13 donors contributed \$10 million to the overall budget. A new phase of the programme (dubbed JITAP II) began in February 2003 and will run for four years. JITAP II covers eight additional countries, namely, Botswana, Cameroon, Malawi, Mali, Mauritania, Mozambique, Senegal and Zambia. The estimated budget is \$12.6 million. The 16 countries in the new phase represent a careful balance among LDCs, non-LDCs, different sub-regions of Africa, and different linguistic groupings.

### **Trade Policy Review Mechanism (TPRM)**

The WTO TPRM 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 MTS. The reviews enhance understanding of the WTO Agreements, enabling better compliance and integration into the MTS; 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 TA may be required. As of February 2005, 34 African countries have had their national trade policies reviewed by the WTO Trade Policy Review Body.

### **Concluding comments**

The WTO's continued commitment to NEPAD is evidenced by its participation in a number of forums focussing on NEPAD. The Director General of the WTO had personified this commitment by attending several high profile events in Africa. The Deputy Director General has had initial discussions with the Head of NEPAD aimed at exploring ways to enhance mutual cooperation and raise the profile of trade within NEPAD.

At the institutional level, since September 2004, Mr. Maarten Smeets, Counselor in the Institute for Training and Technical Cooperation (ITTC) has been appointed as the WTO Focal Point for the NEPAD.