

# Capacity building for greater use of trade-related international support measures for LDCs

Briefing by the UN CDP Secretariat for the LDC group at WT0 Geneva, 18 November 2014

### Structure

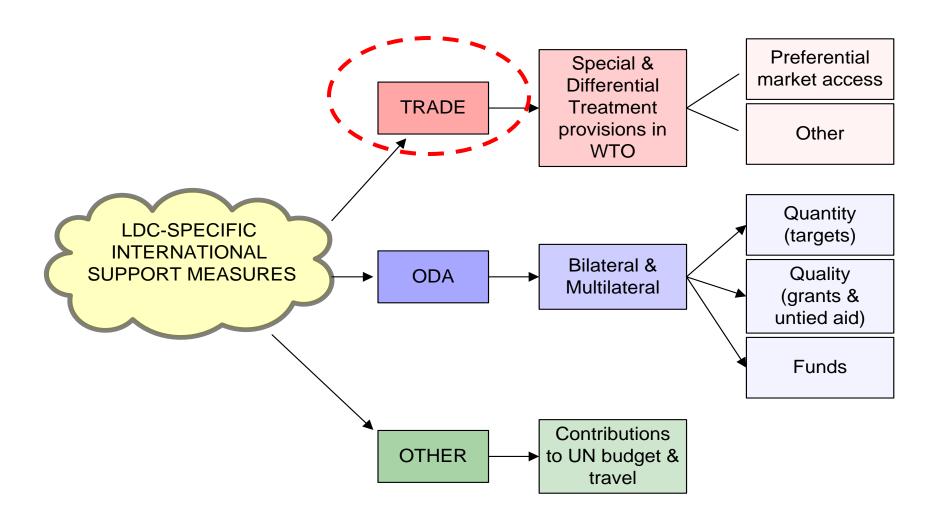
- 1. Background
- 2. Objectives and principles
- 3. Stages and activities
- 4. Findings and recommendations
- 5. E-PING



# **CDP** capacity building activities

- LDCs are low-income countries suffering from structural handicaps to sustainable development
- Category allows for special international support measures to tackle specific problems
- However: limited knowledge
- Past project activities:
  - Building awareness
  - Cataloguing and centralizing information
  - Assessing utilization

# ISMs – International Support Measures for LDCs



Source: Committee for Development Policy (CDP) Secretariat

# Trade-related ISMs

- → Special and differential treatment WTO legal texts
  - Increase trade opportunities for LDCs
  - Safeguard the interests of LDCs
  - Flexibility in rules and disciplines
  - Longer transitional periods
  - Provision of technical assistance
- → Other measures besides WTO agreements

#### **Examples:**

- Enabling clause, Services Waiver
- TRIPs extensions, ASCM exclusions, guidelines on accession, longer TPR intervals, SPS/TBT technical assistance, etc.
- EIF

## Main outcome: LDC Portal



Home Trade Development Assistance General Support Find a support measure. Learn more



#### Improving Access to Support Measures

This Portal gives users access to information about special international support measures (ISMs) adopted by the international development community for countries included in the LDC category. ISMs are meant to assist LDCs in confronting their special development challenges and in achieving progress towards graduation from the category. The measures can be grouped into 3 broad areas of assistance:



#### Trade

International support measures from development partners related to international trade.

go to Trade a

New! Coverage

Deadline for STDF funding



#### Development

Support measures related to the volume and quality of Official Development Assistance.

go to Development »

New! Coverage

Bilateral DDA to LDCs in

#### General Support

Other support measures such as dedicated travel funds and caps on contributions to the UN.

go to General Support »

New! Coverage

SPOTI IGHT: New

#### Latest stones

#### LDCs and trade in services.

LDCs continue to play a marginal role. in global trade in services flows, but their market share is....

#### . Smoothing the Transition

On 7 December 2012, the General Assembly of the United Nations adopted a resolution on smooth....

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#### Latest news

#### Deadline for STDF funding applications

The next deadline for STDF funding applications for project preparation. practice....

# Finding: Low utilization of trade-related ISMs

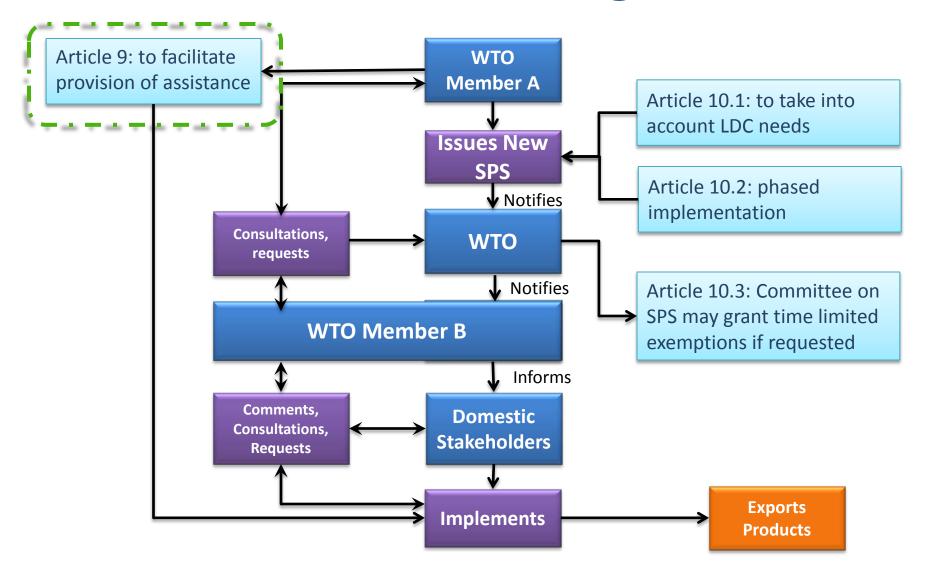
#### Why?????

- Ambiguous nature
- Dispersed
- Complex
- Not binding
- Require capacity:
  - –Low productive capacities
  - Institutional capacity constraints

#### What are institutional constraints?

- Lack of information among stakeholders (country level: traderelated ministries, exporters, producers, standardization bodies, private sector)
- Communication and coordination failures (internal and external)
- Inappropriate institutional arrangements within and among government agencies and/or with partners
- Deficiencies related to human resources

# Institutional constraints in action: an illustration – SPS Agreement





### Follow-up needed: Removing constraints in utilization of trade-related ISMs

#### **Objective** ►

 Increase institutional capacity in LDCs to access and effectively use the trade-related ISMs

#### **Expected accomplishments**

- Improved capacity to set priorities for accessing trade-related ISMs.
- Improved capacity to tackle institutional constraints in accessing and sharing information on trade-related ISMs
- Feedback to intergovernmental processes

#### **Principles**

- Building up: pilot countries participated in Project I
- Staggered: sharing country experiences
- Avoiding duplication: delivering as one



# Project implementation

- A. Diagnosis and prioritization
- 1.Catalogue of priority exports +validation
- 2.SWOT ↔ interviews ↔ preliminary matching
- 3. Targeted surveys toolkit!
- 4.CBA toolkit!
- 5. Validation
- ✓ Outcome: improved capacity to set priorities for accessing trade-related ISMs

- B. Intervention
- 1. Selecting areas for action
- 2.Defining plan
- 3.Implementation
- 4. Review and evaluation
- ✓ Outcomes:
- -Increased capacity
- -Increased ISM use
- -Increased exports

# A.1. Cataloguing and validation

	DTIS	National Export Strategy <sup>2</sup>	National Development Plan <sup>3</sup>	STDF4	UNIDO Integrated Industrial Policy <sup>5</sup>	Vision 20406	Uganda Handierafts Export Strategy <sup>7</sup>	Uganda Services Export Strategy <sup>8</sup>	DTIS update	ITC Sector Projects <sup>10</sup>	Uganda Apiculture Export Strategy <sup>11</sup>
Cereal, pulses and oil seeds											
Maize											
Edible oils											
Breakfast Cereals											
Flour											
Fortified Foods											
Coffee											
Dairy											
Fresh milk											
Processed (powder, butter, UHT, ghee, cheese)											
Livestock											
Fish and Fisheries											
Tilapia											
Nile Perch											
Poultry											
Horticulture											
Fresh fruits and vegetables											
Dried fruits and vegetables											
Fruit Juice, pulp and concentrates											
Banana flour											
Canned fruit											
Vegetable purees and chutney											
Cotton/textile and clothing											
Cotton											
Silk											

# A.2 SWOT and preliminary matching

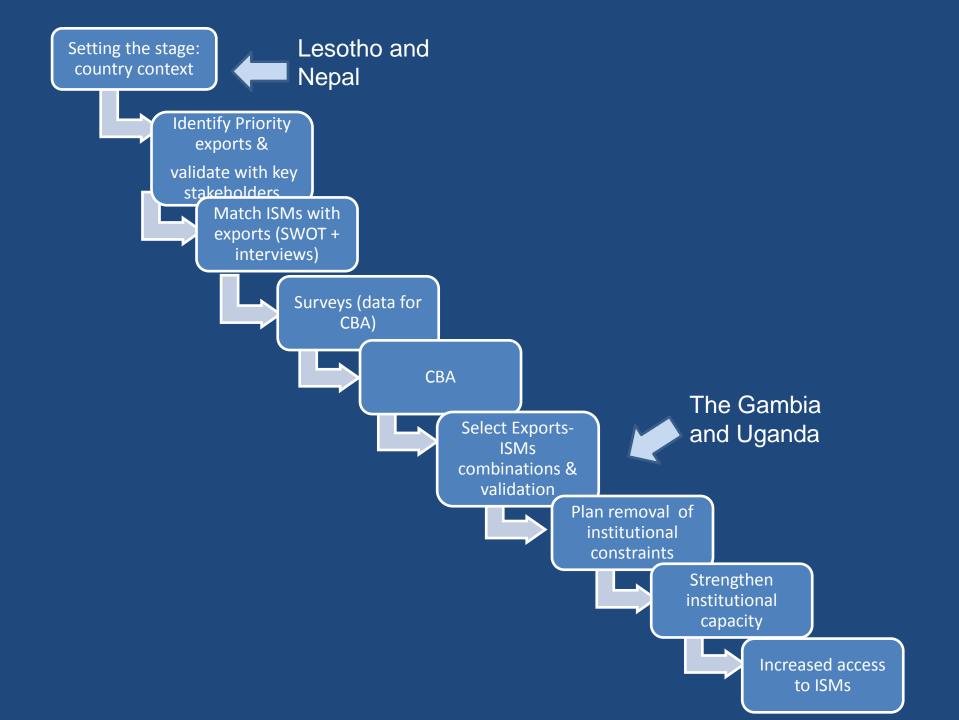
Product	STDF	SPS – WTO members	TBT Art. 11	EIF Tier 2	UNCDF
Coffee	implementation of quality standards/SPS	implementation of quality standards/SPS	coffee specific research, extension services and enforcement of quality and standards regulations	transport infrastructure	coffee specific research, extension services and enforcement of quality and standards regulations
		Coffee Wilt Disease and other pest and diseases		Coffee Wilt Disease and other pest and diseases	
Floriculture	Poor cold storage management	Poor cold storage management		Poor cold storage management	
	Traceability	Traceability	Traceability		
Теа					
Etc.					

# A.3: Targeted surveys

Question	SPS	ТВТ	EIF	DFQF	UNCDF	Fish stock
Q1a. Do you receive training on the processes for accessing the						
ISM?						
Q1b. Which ISM would you be						
most interested in receiving						
training on? Rank from 1 (most) to						
6 (least)						
Q1c. Which ISM would be most						
difficult to organize training for,						
due to travel costs, availability of trainer, etc.? Rank from 1 (difficult)						
to 6 (easy)						
Q1d. Which ISM has the most						
frequent changes in the rules and						
regulations? Rank from 1(most) to						
6 (least)						

# A.4 and A.5: CBA and Validation

ISMs Uganda	Direct cost	Indirect cost	Total cost	Trade benefit	Socio- econo mic benefit	Total benefit	Net benefit	Benefit -cost ratio
SPS	3	5	4	1	1	1	1	1
ТВТ	4	4	5	3	4	3	4	4
EIF	2	2	1	4	2	4	3	3
DFQF	1	3	2	2	3	2	2	2
FS	5	1	3	5	5	5	5	5





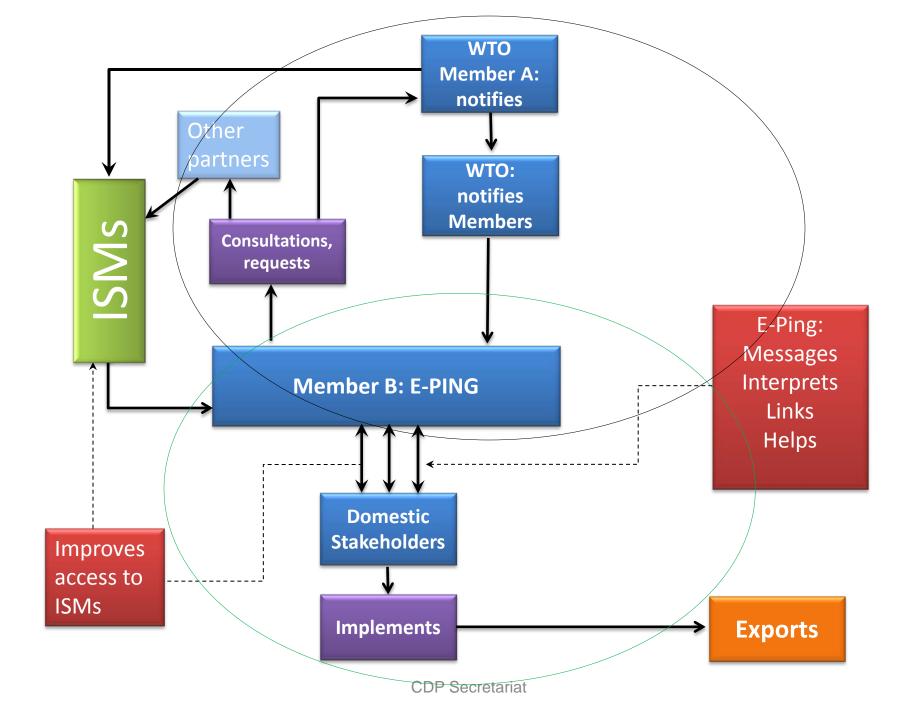
# B.1 Areas for capacity building

THE GAMBIA	UGANDA
SPS	ISM Focal Points SPS/DFQF
Capacity building in Aflatoxins (nuts)	Identification
Notifications	Operationalization
	Dissemination
UNCDF	
Microfinance support (cashew + horticulture)	TBT and SPS
	Information dissemination
EiF	Improve communication flows
Donors round table	
Follow-up DTIS sector studies	EPing Alternative
UNFSA	
Ratification process	
GIEPA	
CBA methodology CDP S	Secretariat



# **E-Ping objectives**

- Effective communications flows
- TBTs and SPSs notifications to reach exporters
- Dissemination of import alerts
- Facilitates access to ISMs



# Moving E-Ping forward

- Consultations with private sector
- Involvement by relevant development partners
- Sustainability
- Local context
- Establish procedures, identify responsibilities and accountability mechanisms, training
- Disseminating the dissemination facility

Discussions taking place at the Geneva workshop

