

Trade: Technical Assistance

Commitment

“The progressive integration by developing countries of trade into their development policies and poverty reduction strategies is crucial for their integration in the global economy, and will increase the benefits they derive from the multilateral trading system. We call on developing countries to further increase their efforts in this regard, and pledge to provide strong support in the form of technical assistance to build their trading.”

G8 Leaders Statement on Trade

Background

Within the World Trade Organization (WTO) framework, the member countries agreed that less developed countries (LDCs) need assistance in order to improve their trading capabilities in order to capitalize on economic growth and alleviate poverty. The countries recognize that to not get left behind in the global trading system, LDCs need to be aided and mentored in bringing their trading systems up to par with the rest of the global trading environment. Developed countries already have the capabilities and expertise necessary to trade on an advanced scale and can share this information with the LDCs in order to expedite trade liberalization. Indeed, WTO Director-General Supachai Panitchpakdi has stated that “[p]art of the reason why developing countries have difficulties participating actively in the Doha Development Agenda negotiations is their lack of human resources.”³⁵⁴ Technical assistance includes, but is not limited to, the transfer of knowledge that will allow developing countries to create more environmentally friendly means of production, the creation of infrastructure and financial assistance to support developing industries.

Assessment

Country	Non-Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France		0	
Germany			+1
Italy		0	
Japan			+1
Russia	-1		
United Kingdom			+1
United States			+1
European Union			+1
Overall: 0.56			

³⁵⁴ *Canada donates 156,000 Canadian dollars for the second Caribbean Regional Trade Policy Course*, World Trade Organization (Geneva) 21 April 2005. Date of Access: 1 June 2005 [www.wto.org/english/news_e/pres05_e/pr403_e.htm].

Individual Country Compliance Breakdown

1. Canada: +1

Canada has achieved full compliance with respect to its commitment in providing technical assistance, which will be used to promote private sector development and trade in developing countries. Its efforts are mainly focused on supporting microcredit and microfinance initiatives and through contributions to the WTO's Doha Development Agenda Global Trust Fund.

On 21 April 2005, Canada announced that it will contribute CAN\$ 156,000 (CHF 149,000) to the Doha Development Agenda Global Trust Fund. The contribution was made towards the second Caribbean Regional Trade Policy Course. I welcome Canada's contribution," said Director-General Supachai Panitchpakdi. "Part of the reason why developing countries have difficulties participating actively in the Doha Development Agenda negotiations is their lack of human resources. Canada's donation will help train developing country officials." The Regional Trade Policy Courses are part of the WTO's technical assistance and capacity building programme, and are modelled on three-month trade policy courses that have been organized by the GATT/WTO in Geneva for over 40 years. They were introduced in 2002 and have since been held in Africa and in Hong Kong, China, for the Asia-Pacific region.³⁵⁵

On 7 June 2004, Canada also committed US\$95,000 for the Regional Gender & Trade Initiative aimed at African countries and recognized by the WTO as a form of trade-related technical assistance. This project facilitates the development of a training package for women entrepreneurs, combining the Canadian 'Going Global' Package with ITC's Business Management System in a gender-sensitive context. Course development activities involve a series of meetings by the course development team comprising both ITC as well as Canadian experts, as well as resource persons from Africa and the private sector.³⁵⁶

On 21 September 2004, Aileen Carroll, Minister of International Cooperation announced that Canada will contribute C\$17 million to the Tanzania Financial Sector Deepening Programme (FSDP) Trust Fund.³⁵⁷ Minister Carroll said "improving access to cost-effective, efficient and reliable financial services is an important step toward building a sustainable private sector and reducing poverty overall."³⁵⁸ Funding for these initiatives was provided for in the March 2004 federal budget and is therefore built into the existing fiscal framework.³⁵⁹

³⁵⁵ *Canada donates 156,000 Canadian dollars for the second Caribbean Regional Trade Policy Course*, World Trade Organization (Geneva) 21 April 2005. Date of Access: 1 June 2005 [www.wto.org/english/news_e/pres05_e/pr403_e.htm].

³⁵⁶ "PACT GTI-Design Training Programme," WTO Doha Development Agenda: Trade Capacity Building Database (Geneva) 7 June 2004. Date of Access: 1 June 2005 [tcbdb.wto.org/trta_project.asp?prjcd=RAF/20/98A%20 &ctry=298].

³⁵⁷ Canadian International Development Agency, "Canada Helps Reduce Poverty in Tanzania and Strengthens Microfinance Sector," News release, September 21st, 2004 www.acdi-cida.gc.ca/cida_ind.nsf/vPrintNewsReleaseEn/5C184CA9FAEBB03785256F16004D66A4

³⁵⁸ Ibid

³⁵⁹ Ibid

Canada is also promoting private sector development and trade in developing countries. Aileen Carroll, Minister of International Cooperation announced that Canada will launch a series of new policies to strengthen the expansion of the private sector in developing countries in April, 2005.³⁶⁰ The initiatives are valued at \$25 million and focused on projects in Africa, Asia and the Americas.³⁶¹ There are three policy areas, which CIDA will focus their projects on: “contributing conditions that encourage growth of the private sector; promoting entrepreneurship; and, supporting links to markets that help developing countries better integrate into the global trading system.”³⁶² CIDA will devote at least 75 % of their private sector development programming to these areas.³⁶³ Out of \$25 million, CIDA will spend \$11 million for “a project to support land management and administration in Cambodia, including \$2.5 million to a World Bank Trust Fund.”³⁶⁴ This project is expected to help farmers increase productivity, income equalities, and access to finance. At the same time, investment in rural activities and agriculture infrastructure will be encouraged.³⁶⁵ The funding for these proposed projects has already been integrated into the existing fiscal framework since it was included in the February 2005 federal budget.³⁶⁶

2. France: 0

Overall, France has taken steps towards achieving compliance with its pledge to provide trade assistance to developing countries, but has yet to illustrate explicit support for programs in progressive technical assistance. France is, and always has been, one of the most generous donors of the G8, with plans to raise the official development assistance (ODA) to 0.5% of gross national income by 2007.³⁶⁷ Much of this aid, however, has gone towards debt relief rather than support in the form of technical assistance, thus not generating fresh cash flow with which to fund progressive development programs.³⁶⁸ President Chirac admitted to this problem in his speech at ‘The Meeting on Eradicating World Hunger and Poverty,’ suggesting not “to replace official development assistance or private action, but to round them out.”³⁶⁹ In November 2004, Xavier Darcos, Minister for Cooperation, Development and Francophonie, met with Hilary Benn, Secretary of State for International Development, at a UK/France summit to launch a plan of action for cooperation on development issues.³⁷⁰ This summit was held in preparation for the UK Presidency of the European Union in the latter half of 2005 and of the G8 in the same year, through which the UK intends to make development a top priority. France plans to make its

³⁶⁰ Canada International Development Agency, “Canada Builds Capacity of Private Sector in Poor Countries,” News Release, April 7th, 2005 www.acdi-cida.gc.ca/cida_ind.nsf/vLookupNewsEn/203B9000A17A389585256FDC00547BF6?OpenDocument

³⁶¹ Ibid

³⁶² Ibid

³⁶³ Ibid

³⁶⁴ Ibid

³⁶⁵ Ibid

³⁶⁶ Ibid

³⁶⁷ OECD “France. DAC Peer Review: Main Findings and Recommendations” January 4, 2005

www.oecd.org/document/11/0,2340,en_2649_33721_32070731_1_1_1_1,00.html

³⁶⁸ Ibid. www.oecd.org/document/11/0,2340,en_2649_33721_32070731_1_1_1_1,00.html

³⁶⁹ 8Le Palais de l’Elysee “Speech by Mr Jacques Chirac President of the French Republic to the meeting for

thepresentation of the report by the World Commission on the social dimension of globalization” (New York) 20 September 2004, www.elysee.fr/cgi-bin/auracom/aurweb/search/file?aur_file=discours/2004/UK04920C.html

³⁷⁰ Foreign and Commonwealth Office “Action Plan on UK/France Cooperation on Development” pg. 1, November 18, 2004 www.fco.gov.uk/Files/kfile/EC100_ActionPlan,0.pdf

development, trade, foreign and security policies mutually supportive with those of the UK, aiming to lay the foundations for “genuine and sustainable development.”³⁷¹

In February of 2005, France, together with Germany, announced that they would lend their support to a pilot project, which promotes innovative funding towards development known as the: International Funding Facility (IFF).³⁷² This would mean an international solidarity tax, imposed on “air transport, kerosene, or airline tickets”³⁷³ which would raise money for both trade development as well as health programs in the poorest countries.

At the Paris mini-ministerial in early May of 2005, in which WTO members met with the OECD, French foreign trade minister Francois Loos declared that the preservation of the interests of less developed countries remains a top priority for France.³⁷⁴ Loos declared that this would involve increased aid in the development of south-south trade through the opening up of markets in developing countries, as well as the development of the service sector, to which France remains committed.³⁷⁵

3. Germany: +1

Germany has taken the necessary steps to comply with its pledge to assist in the trade capacity building of developing nations. In an October 2004 statement to the Development Committee of the World Bank, Germany’s Development Minister Wieczorek-Zeul reaffirmed the country’s commitment to provide technical assistance for trade capacity building. The Minister called for a “boost in both the effectiveness and volume of development cooperation,”³⁷⁶ as well as an “enhancement of absorptive capacities” of developing nations and the “more sensible combination of financial transfers with advice and technical assistance.”³⁷⁷ In December 2004 Germany donated €250,000 to the Doha Development Global Trust Fund, bringing its contributions to the WTO technical assistance fund to a total of CHF 4.1 million, the eighth biggest voluntary contribution to the fund since 2001.³⁷⁸ “The funds will help enhance developing countries’ understanding of WTO Agreements, to enable better compliance and

³⁷¹ Ibid, pg. 3 www.fco.gov.uk/Files/kfile/EC100_ActionPlan,0.pdf

³⁷² Ministère des Affaires Etrangères, “Innovative Financing of Development on the G8 Agenda”, May 11, 2005, www.diplomatie.gouv.fr/actu/article.gb.asp?ART=47631

³⁷³ Ibid.

³⁷⁴ OECD, “Négociations Commerciales dans le Cadre du Cycle de Doha sur le Développement” Déclaration de M. François Loos, Ministre Délégué au Commerce Extérieur, Pp. 2, 11, May 2005 www.oecd.org/document/35/0,2340,en_21571361_34628784_34691427_1_1_1_1,00.html

³⁷⁵ Ibid. Pp. 4

³⁷⁶ “Statement by Heidemarie Wieczorek-Zeul Federal Minister for Economic Cooperation and Development Germany” The World Bank Development Committee, 2 October 2004. siteresources.worldbank.org/DEVCOMMINT/Documentation/20264390/DCS2004-0050-Germany.pdf

³⁷⁷ “Statement by Heidemarie Wieczorek-Zeul Federal Minister for Economic Cooperation and Development Germany” The World Bank Development Committee, 2 October 2004. siteresources.worldbank.org/DEVCOMMINT/Documentation/20264390/DCS2004-0050-Germany.pdf

³⁷⁸ World Trade Organization “Germany donates 250,000 euros to WTO technical assistance” 17 December 2004 www.wto.org/english/news_e/pres04_e/pr391_e.htm

integration in the multilateral trading system, as well as identify their infrastructural constraints and technical assistance needs.”³⁷⁹

The “Ministry for Economic Cooperation and Development (BMZ) is in charge of the development cooperation with developing countries and has planned, coordinated and implemented a wide range of programmes and projects through different national agencies and multilateral organizations.”³⁸⁰ The bulk of German technical assistance is implemented through the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) focusing on institution and capacity building³⁸¹, Internationale Weiterbildung und Entwicklung (InWEnt) focusing on training activities and the Kreditanstalt für Wiederaufbau (KfW Bank) focusing on infrastructure development.³⁸² The BMZ has aimed to provide anchor countries in Asia, Africa and South America with targeted support and has registered projects with 11 of them, with funding totaling €350 million.³⁸³ The 2005 budget for the Ministry of Economic Cooperation and Development was increased by an additional €76 million.³⁸⁴ Development cooperation will remain the biggest budget item for 2005, approximately €1 billion, and will include trade related technical assistance with developing countries in Africa.³⁸⁵

4. Italy: 0

Italy, thus far, seems to want to use the European Union as its vehicle to comply with its technical assistance commitment. Although they directly gave money to the Doha Development Agenda Global Trust Fund in both 2002 and 2003 (for WTO technical assistance activities), they did not make a direct contribution in 2004. They have also not announced any programs for assistance outside of those outlined by the European Union (please see below).

5. Japan: +1

Japan has registered full compliance with regard to its commitment to provide technical assistance to developing countries. This has been achieved through its initiatives to host the TICAD (Tokyo International Conference on African Development) Asia-Africa Trade and Investment Conference in the early November 2004 and its studies on effective means to facilitate trade in developing countries. There were about 700 participants from 102 countries and organizations.³⁸⁶ It included 48 African and 13 Asian countries as well as more than 90

³⁷⁹ World Trade Organization “Germany donates 250,000 euros to WTO technical assistance” 17 December 2004 www.wto.org/english/news_e/pres04_e/pr391_e.htm

³⁸⁰ World Trade Organization. Guide to source of Technical Assistance: Germany. 12 June 2003 www.wto.org/english/tratop_e/devel_e/teccop_e/bil_ass_e/germany_e.htm

³⁸¹ The German Federal Foreign Office. Technical Cooperation. February 2004 www.auswaertiges-amt.de/www/en/aussenpolitik/aussenwirtschaft/entwicklung/tz_html

³⁸² World Trade Organization. Guide to source of Technical Assistance: Germany. 12 June 2003 www.wto.org/english/tratop_e/devel_e/teccop_e/bil_ass_e/germany_e.htm

³⁸³ The German Federal Ministry for Economic Cooperation and Development. “Anchor countries - partners in global development” December 2004. www.bmz.de/de/english_current_nl.html

³⁸⁴ www.bmz.de/de/zahlen/deutscherbeitrag/index.html

³⁸⁵ The German Federal Ministry for Economic Cooperation and Development. “Haushalt 2005 - Entwicklungspolitik gestärkt” 12 November 2004 www.bmz.de/de/presse/pm/120_2004.html

³⁸⁶ TICAD Asia-Africa Trade and Investment Conference, “Chair’s Summary,” www.mofa.go.jp/region/africa/ticad/aatic/summary.pdf

private enterprises and organizations.³⁸⁷ Participants discussed the idea of “Poverty Reduction through Economic Growth,” which is one of the three pillars of Japan’s Policy on Cooperation with Africa.³⁸⁸ Shoichi Nakagawa, Minister of Economy, Trade and Industry of Japan, stressed the importance of “a shift of focus from the provision of assistance to promotion of trade and investment; in other words, the integration of Africa into the global economy.”³⁸⁹

At the OECD Ministerial Council Meeting on May 3rd, 2005, Nobutaka Machimura, Minister for Foreign Affairs of Japan, announced Japan’s policy to increase their support to “further expand and strengthen a network to facilitate the exchange of trade and investment between Asia and Africa using information and communication technology.”³⁹⁰ Japan also provided proposals to further reinforce the OECD-Africa investment initiatives on May 11th, 2005. For example, Japan suggested projects would “identify priority areas that governments will want to address to create a better investment climate by customizing the Policy Framework for Investment (PFI) for specific use in Africa through country/ regional case studies.”³⁹¹

6. Russia: –1

Russia has not complied with its commitment to provide technical assistance, and it appears that it has been looking economically internally more so than externally. Russia experienced a financial crisis in mid-2004 resulting in a need to focus inwards on a national level³⁹². With an inflation rate of 11.5%, Russia’s finance minister has claimed that Russia is in no position to make investments in any area³⁹³. Furthermore, the 2005 budget does not indicate any significant outward financial assistance or funding for programs that would provide technical assistance to developing countries³⁹⁴. In light of Russia’s domestic battles, it is not likely that technical assistance to other countries, similar to that given by other G8 members, will materialize. In fact Russia is currently a net-recipient of technical assistance from the European Union as part of a two-year program initiated in November 2003 to create a transparent and effective federal budget system.³⁹⁵

³⁸⁷ Ibid

³⁸⁸ Ibid

³⁸⁹ Shoichi Nakagawa, Minister of Economy, Trade and Industry, “Closing Remarks by Representative of Japan, Mr. Shoichi Nakagawa, at the TICAD Asia-Africa Trade and Investment Conference,” www.mofa.go.jp/region/africa/ticad/aatic/closing0411.pdf

³⁹⁰ Nobutaka Machimura, Minister for Foreign Affairs of Japan, “Table Speech at the Informal Dinner Discussion on the Millennium Declaration and Monterrey Consensus,” May 3rd, 2005 www.mofa.go.jp/policy/economy/oecd/speech0505.html

³⁹¹ Ministry of Foreign Affairs of Japan, “Strengthening the OECD-Africa Investment Initiative, Japan’s Proposal,” May 11th, 2005 www.mofa.go.jp/policy/economy/oecd/proposal0505.html

³⁹² Pravda.ru, How to make money in times of crisis . July 20, 2004. english.pravda.ru/main/18/89/358/13457_investments.html

³⁹³ Pravda.ru, Capital outflow from Russia stops, wages reach German and French level. November 30, 2004. english.pravda.ru/main/18/89/358/14658_investment.html

³⁹⁴ The Russian Journal, Putin approves budget for 2005. December 27, 2004. www.russiajournal.com/news/cnews-article.shtml?nd=46863

³⁹⁵ Pravda.ru. “European Union Allocates 3 million Euros to Support State Budget Reforms in Russia.” March 18, 2003. english.pravda.ru/economics/2003/03/18/44597.html

Russia did attend a WTO Workshop for Central and Eastern Europe, Central Asia and the Caucasus on the Agreement on Technical Barriers to Trade in Istanbul on 23-24 September 2004. Nevertheless, Russia was involved in this event as a participant rather than a donor, along with Turkey, Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kyrgyz Republic, Macedonia FYR, Moldova, Romania, Serbia and Montenegro, Turkmenistan, Tajikistan, Ukraine, and Uzbekistan. As such, this involvement cannot be counted towards its 2004 Sea Island commitment compliance.³⁹⁶

7. United Kingdom: +1

Since the 2004 Sea Island Summit, the United Kingdom (UK) has publicly reaffirmed its commitment to providing developing countries with trade related technical assistance. In July 2004, the Secretary of State for Trade and Industry, Patricia Hewitt, published a White Paper on Trade and Investment called, 'Making Globalization a Force for Good'.³⁹⁷ The document highlights, amongst other things, the importance of increasing trade related capacity of developing countries so they too may benefit from globalization.³⁹⁸ Hilary Benn, the UK Secretary of State for International Development echoed the importance of trade related capacity building in a speech to The Royal Institute of International Affairs, also known as Chatham House, declaring "2005 a critical year for moving the trade and development agenda forward." According to the Secretary, the United Kingdom's presidency over the G8 and EU will be used to put "trade high up on the international agenda."³⁹⁹

"On 4 February 2005, the United Kingdom signed a 'Memorandum of Understanding' with the WTO, agreeing to a contribution of £850,000 to the Standards and Trade Development Facility."⁴⁰⁰ This program assists developing countries in improving their expertise and capacity to analyze and implement international sanitary and phytosanitary (SPS) standards, which regulate the food safety and animal and plant health of exports. WTO Director-General Dr. Supachai Panitchpakdi welcomed the contribution observing that, "Keeping pace with new SPS standards in export markets is a real challenge for developing countries" and, "by informing developing country governments of new developments in SPS standards and assisting them in their implementation, there is a direct impact on these countries' capacity to export."⁴⁰¹

Currently, the United Kingdom is "the fourth largest donor to the International Development Association (IDA) — the arm of the World Bank that provides concessional loans to developing

³⁹⁶ *Technical Barriers To Trade: Technical Assistance Activities List Of Activities In 2004: 2004 Tbt Technical Assistance Activities Of The Secretariat*, World Trade Organization (Geneva) 2004. Date of Access: 1 June 2005 [www.wto.org/english/tratop_e/tbt_e/tbt_tech_activ2004_e.htm].

³⁹⁷ "Trade and Investment White Paper" The Department of Trade and Industry, 6 July 2004.

www.dti.gov.uk/ewt/whitepaper.htm

³⁹⁸ "The Role of Trade and Investment in Global Poverty Reduction" The Department of Trade and Industry, July 2004. www.dti.gov.uk/ewt/part3.pdf

³⁹⁹ "Living up to our promises: Helping developing countries to capture the gains from trade" The Department for International Development, 21 July 2004. www.dfid.gov.uk/news/files/sp-bennspeechtrade.asp

⁴⁰⁰ "The UK donates to Standards and Trade development facility" WTO Press Release, 10 February 2005.

www.wto.org/english/news_e/pres05_e/pr395_e.htm

⁴⁰¹ "The UK donates to Standards and Trade development facility" WTO Press Release, 10 February 2005.

www.wto.org/english/news_e/pres05_e/pr395_e.htm

countries.”⁴⁰² In part, these funds are used by the World Bank to further statistical capacity building of developing countries, by which “an adequate statistical base for the analysis of economic, financial and social developments necessary to guide trade policy making”⁴⁰³ is provided.

Indeed, as a member of the European Common Market, the UK government has little national power to alter its trade policies which are largely decided by the EU. As such, while Brussels tries to improve the demand end of the trade equation, London has focused on the supply end, namely in improving African trade capacity. Indeed, the UK has increasingly adopted the approach that improving developing countries’ trade access and capacity is a more effective poverty-reduction strategy than aid, and will look to forward this approach at the G8 Summit in Gleneagles in July.⁴⁰⁴ As of July 2004, the UK has committed £1.25 million to the Advisory Centre on WTO Law in Geneva — an independent centre assisting developing, least developed and transition countries by providing low-cost legal support to members pursuing cases in the Dispute Settlement Mechanism. Also, the UK is providing £1 million to support the United Nations Conference on Trade and Development’s (UNCTAD) Accession Trust Fund project that supports least developed countries to accede to the WTO on terms which are consistent with their specific development needs; the fund provides technical assistance at each stage of the accession process.⁴⁰⁵ In March 2005, the UK awarded £750,000 to the Fairtrade Foundation over a period of three years to support the foundation’s work to promote products that guarantee developing farmers a fair price.⁴⁰⁶

8. United States: +1

The United States has complied with its commitment to provide technical assistance to developing countries even though the Bush administration was preoccupied with its re-election, Iraq and terrorism for the greater part of 2004. The recent appointment of a new US Trade Representative, Robert Portman, and the current focus on completing the Doha Development Round of trade negotiations before end-2006, have not shifted focus away from technical assistance and the 2004 Sea Island commitment.

On 17 May 2005, the United States pledged a contribution of US\$ 992,000 (CHF 1.2 million) to the Doha Development Agenda Global Trust Fund for 2005. The United States’ contribution will be used, among other things, to strengthen the technical capacity of developing countries to

⁴⁰² “The World Bank and the International Monetary Fund” The Department for International Development, 16 April 2004. www.dfid.gov.uk/aboutdfid/dfidwork/wbandimf.asp

⁴⁰³ The World Bank Group “Statistical Capacity Building” 2004 web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/SCBEXTERNAL/0,,contentMDK:20100819~menPK:229526~pagePK:229544~piPK:229605~theSitePK:239427,00.html

⁴⁰⁴ *Speech by Hilary Benn, Minister of International Development: Living up to our promises: Helping developing countries to capture the gains from trade*, Department of International Development (London) 21 July 2004. Date of Access: 30 May 2005 [www.dfid.gov.uk/news/files/sp-bennspeechtrade.asp].

⁴⁰⁵ *Trade and Investment White Paper 2004: Part III: The Role of Trade and Investment in Global Poverty Reduction*,. Department of Trade and Industry (London) 2004. Date of Access: 1 June 2005 [www.dti.gov.uk/ewt/part3.pdf], pp. 94.

⁴⁰⁶ Eleanor Wason, “UK gives Fairtrade 750,000 pounds,” *Reuters* (London) 2 March 2005. Date of Access: 15 May 2005 [www.tiscali.co.uk/news/newswire.php/news/reuters/2005/03/02/topnews/ukgivesfairtrade750000pounds.html].

participate in the market access related aspects of the Doha Development Agenda negotiations, including for the preparation of service requests and offers and negotiations on Trade Facilitation. “I heartily welcome the United States’ generous contribution,” said Dr. Supachai Panitchpakdi, Director-General of the WTO while U.S. Trade Representative, Robert Portman, commented: “As a leader in the Doha negotiations, this contribution is evidence of our commitment to provide assistance to the developing countries to help them participate in the negotiations and benefit from the results.” The Doha Development Agenda Global Trust Fund finances activities which aim to enhance developing countries’ participation in the WTO negotiations. Since 2001, the United States has contributed almost US\$ 5 million (approximately CHF 6 million) to WTO technical assistance activities.⁴⁰⁷

The US is involved in various projects involving technical assistance in the form of either transfer of knowledge, creation of infrastructure or financial assistance for developing an industry. In 2004 President Bush introduced the Millennium Growth Account (MCA). “MCA as a unique supplementary foreign aid program to provide incentives for countries that govern justly, invest in their people and promote economic freedom”⁴⁰⁸. Under the administration’s plan, the MCA will eventually add about \$5 billion in targeted assistance to the existing U.S. foreign aid budget and has announced the approval of the first Millennium Challenge Compact with Madagascar on March 14th, 2005.⁴⁰⁹ This \$110 m program will stretch over four years and aims to increase incomes and create opportunities for rural Malagasy through the infusion of domestic investment.⁴¹⁰ This program will not only improve domestic investment, it will also provide technical assistance in agricultural practices and in identifying market opportunities.⁴¹¹ According to the CEO of the Millennium Challenge Corporation, Paul Applegarth, it is expected that three to five more countries will be receiving similar compacts once negotiations are complete.⁴¹²

Finally, according to Agriculture Secretary Ann Veneman, a team of public and private sector experts will be sent to West Africa’s cotton regions to assess the region’s cotton industry and suggest improvements to production, processing and logistics systems so the region can become more efficient and competitive⁴¹³.

On 14 May 2004, then-US Trade Representative Robert Zoellick announced that the US would US\$1-million for trade-related technical assistance to the WTO. While this is the largest single

⁴⁰⁷ *The United States to contribute US\$ 992,000 to WTO technical assistance*, World Trade Organization (Geneva) 17 May 2005. Date of Access: 1 June 2005 [www.wto.org/english/news_e/pres05_e/pr405_e.htm].

⁴⁰⁸ United States Department of State, Information Services. U.S. Aid Agency to Help Seven Countries Qualify for Targeted Aid. October 5, 2004. usinfo.state.gov/gi/Archive/2004/Oct/05-980347.html

⁴⁰⁹ US Department of State. “Board’s Decision to Approve the First Millennium Challenge Compact With Madagascar” March 14th, 2005. www.state.gov/e/eb/rls/rm/2005/43423.htm

⁴¹⁰ US Department of State. “Board’s Decision to Approve the First Millennium Challenge Compact With Madagascar” March 14th, 2005. www.state.gov/e/eb/rls/rm/2005/43423.htm

⁴¹¹ US Department of State. “Board’s Decision to Approve the First Millennium Challenge Compact With Madagascar” March 14th, 2005. www.state.gov/e/eb/rls/rm/2005/43423.htm

⁴¹² US Department of State. “Board’s Decision to Approve the First Millennium Challenge Compact With Madagascar” March 14th, 2005. www.state.gov/e/eb/rls/rm/2005/43423.htm

⁴¹³ ⁴¹³ United States Department of State, Information Services. U.S. Team to Help West Africa Improve Its Cotton Industry. September 20, 2004. usinfo.state.gov/gi/Archive/2004/Sep/20-825587.html

contribution the US has ever made for technical assistance, since it was pledged before the 2004 Sea Island Summit in June 2004, it cannot count towards compliance for the Sea Island Summit cycle.⁴¹⁴

9. European Union: +1

The European Union has announced its strong commitment towards providing support for technical assistance in developing countries, and has begun to follow through on its promises, thereby complying with its commitment. The EU has taken steps to increase trade with developing countries by lowering tariffs and red tape as well as providing trade related assistance (TRA), promising to commit over €2 billion over the next 4-5 years.⁴¹⁵ The EU is the main contributor to the Doha Development Global Trust Fund and has set up four-week training programs in collaboration with the United Nations in efforts to deliver technical assistance and training.⁴¹⁶ Senior members of the European Commission met in London in January, together with the Organization for Economic Co-Operation and Development (OECD), United Nations Development Programme (UNDP), and the World Bank at a forum on development effectiveness.⁴¹⁷ On January 6 2005, Peter Mandelson met with the economic and development ministers of the Caribbean Community (CARICOM) and the Dominican Republic, making a number of new commitments concerning EU-ACP trade relations.⁴¹⁸ Mandelson plans to “establish a mechanism to monitor the roll out of our development and trade related assistance, to check continuously whether or not it is delivering the right results to build up local economic capacity.”⁴¹⁹

The European Union boasts numerous on-going trade-related technical assistance programmes launched in the Sea Island compliance cycle, including some of the following: €50-million for TRADE.COM aimed at ACP countries, a major general capacity strengthening measure that will fund a network of some 55 regional and national trade advisors throughout the ACP. This could cover Trade Facilitation if requested by the beneficiary country. €1-2-million for the Argentina Trade Related Technical Assistance (TRTA) Programme, facilitating Argentina’s participation and implementation of new and on-going international trade agreements through policy-making support and capacity building activities. And, €1.3 million for trade-related technical assistance in the Philippines including development, installation of and training on a risk management system; installation, customization of and training on a valuation database; and Customs human

⁴¹⁴ “U.S. Contributes \$1 Million to WTO Technical Assistance Efforts” Office of the United States Trade Representative (Washington D.C.) 14 May 2004. Date of Access: 1 June 2005 [www.ustr.gov/Document_Library/Press_Releases/2004/May/U.S._Contributes_\$1_Million_to_WTO_Technical_Assistance_Efforts.html].

⁴¹⁵ 9Europa WTO Doha Development Agenda : WTO midpoint paves the way for future conclusion of trade round — a stronger multilateral trading system” 31 July 2004 europa.eu.int/comm/trade/issues/newround/doha_da/pr310704_en.htm

⁴¹⁶ Europa “Ongoing WTO trade talks: the Doha Development Agenda “ August 2004 europa.eu.int/comm/trade/issues/global/development/index_en.htm

⁴¹⁷ OECD “Senior Level Forum on Development Effectiveness in Fragile States, 13–14 January 2005” January 32005, www.oecd.org/document/30/0,2340,en_2649_33693550_33964254_1_1_1_1,00.html

⁴¹⁸ Europa “Commissioner Mandelson reinforced commitments to EU-ACP trade relations” Georgetown, Guyana, 6 January 2005, europa.eu.int/comm/trade/issues/bilateral/regions/acp/pr010605_en.htm 263

⁴¹⁹ Ibid.

resources development strategy upgrading, and development of the Customs Academy's courseware and training.⁴²⁰

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May 2005

⁴²⁰ *Communication From The European Communities: Technical Assistance And Support For Capacity Building*, World Trade Organization (Geneva) 29 April 2005. Date of Access: 1 June 2005 [trade-info.cec.eu.int/doclib/html/123447.htm].