

**Evaluation of
International Trade Centre
(UNCTAD/WTO)**

**Volume 6
Global Context**

**SURVEY OF TRADE
RELATED TECHNICAL
ASSISTANCE**

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Table of contents

List of Acronyms

1	The Context of Trade Related Technical Assistance.....	8
1.1	Introduction.....	8
1.2	Methodology and Data Issues.....	9
1.3	Overview of Trade Related Technical Assistance.....	11
1.4	Survey of Trade Development.....	20
1.5	Role of International Organisations and Multilateral Development Banks in Trade Development	33
1.6	Conclusions	45
ANNEX:	Geographical Distribution of Trade Development Technical Assistance	46

Figures

Figure 1:	TRTA/CB Categories in 2001, 2002 and 2003, US\$ thousands	12
Figure 3:	Assistance to infrastructure from 2001 to 2003, US\$ million	17
Figure 4:	Distribution of TRTA/CB and infrastructure by region and main category – US\$ million	18
Figure 5:	Distribution of TRTA/CB and infrastructure by income group and main category – US\$ million	19
Figure 6:	Trade development by type of activity in 2001, 2002 and 2003 – US\$	21
Figure 7:	Trade development by type of activity in 2001, 2002 and 2003 – number of activities	21
Figure 8:	Trade development technical assistance in LMICs in 2001, 2002 and 2003 - US\$.....	24
Figure 9:	Trade development technical assistance in LDCs in 2001, 2002 and 2003 - US\$	25
Figure 10:	Trade development technical assistance in OLICs in 2001, 2002 and 2003 - US\$.....	26
Figure 11:	Trade development technical assistance in CEEs/NIS Part II in 2001, 2002 and 2003 - US\$.....	26
Figure 12:	Trade development technical assistance in UMICs in 2001, 2002 and 2003 - US\$.....	27
Figure 13:	Value and number of activities implemented by multilateral agencies in 2001- 2003.....	34
Figure 14:	Value of trade development activities carried out by multilateral agencies in 2001-2003, US\$ thousand.....	34
Figure 15:	The average spending for one project by multilateral agencies, 2001, 2002 and 2003, US\$ thousand.....	36
Figure 16:	Business support services and institutions by multilateral agencies, 2001, 2002 and 2003, US\$ thousand	40
Figure 17:	Trade finance by multilateral agencies, 2001, 2002 and 2003, US\$ thousand.....	41

Figure 18: Trade promotion strategy and implementation by multilateral agencies, 2001, 2002 and 2003, US\$ thousand	42
Figure 19: Market analyses and development by multilateral agencies, 2001, 2002 and 2003, US\$ thousand.....	43
Figure 20: E-commerce by multilateral agencies, 2001, 2002 and 2003, US\$ thousand.....	44
Figure 21: Public-private sector network by multilateral agencies, 2001, 2002 and 2003, US\$ thousand	44
Figure 22: Funding for trade development by countries in 2001, 2002 and 2003 – US\$ thousand.....	48
Figure 23: Trade development technical assistance in Africa 2001, 2002 and 2003 - US\$ thousand.....	52
Figure 24: Trade development technical assistance in Asia 2001, 2002 and 2003 - US\$ thousand.....	58
Figure 25: Trade development technical assistance in America 2001, 2002 and 2003 - US\$ thousand.....	63
Figure 26: Trade development technical assistance in DSU in 2001, 2002 and 2003 - US\$ thousand.....	67
Figure 27: Trade development technical assistance in Europe in 2001, 2002 and 2003 - US\$ thousand	70
Figure 28: Trade development technical assistance in Oceania in 2001, 2002 and 2003 - US\$ thousand	74

Tables

Table 1: TRTA and Capacity Building Categories in 2001, 2002 and 2003.....	12
Table 2: Net Official Development Assistance in 2001 - 2004	14
Table 3: Commitments of TRTA/CB by donor from 2001 to 2003 – US\$ million	15
Table 4: Trade policy and regulations, commitments from 2001 - 2003.....	16
Table 5: Infrastructure, commitments in 2001 – 2003.....	17
Table 6: Trade development commitments in 2001, 2002 and 2003.....	20
Table 7: The growth rates of trade development in 2002 and 2003 – US\$ thousands and number of commitments	22
Table 8: Trade development TRTA/CB by income level in 2001, 2002 and 2003 – US\$ thousand.....	23
Table 9: Trade development TRTA/CB by funding and implementation in 2001, 2002 and 2003 – US\$ thousand.....	30
Table 10: TRTA/CB in trade development category by implementing agencies in 2001, 2002, 2003.....	37
Table 11: Trade development funding by recipient countries and type of funding in 2001, 2002 and 2003 – US\$ thousand.....	47

Table 12: Trade development TRTA/CB by countries in 2001, 2002 and 2003 – US\$
thousand and Nr. of activities 49

Acronyms

ACP	African, Caribbean & Pacific States
ADB	Asian Development Bank
AITIC	Agency for International Trade Information and Co-operation
APEC	Asia-Pacific Economic Co-operation
CCA	Common Country Assessment
CEE	Central and Eastern Europe
CEECs/NIS	Central and Eastern European Countries / New Independent States (of the former Soviet Union)
CIS	Commonwealth of Independent States
CO	Country Office
CSO	Civil Society Organization
DDA	Doha Development Agenda
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECA	UN Economic Commission for Africa
EIB	European Investment Bank
ESCAP	UN Economic and Social Commission for Asia and Pacific
ESCWA	UN Economic and Social Commission for Western Asia
EU	European Union
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FTA	Free Trade Area or Free Trade Agreement
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs & Trade
GSP	Generalized System of Preferences
HICs	High Income Countries
IBRD	International Bank for Reconstruction and Development
IDA	International Development Agency
IF	Integrated Framework
IFIs	International Financial Institutions
ITC	International Trade Centre
JITAP	Joint Integrated Technical Assistance Program
LDC	Least Developed Countries according to UN designation
LMICs	Lower Middle Income Countries

MADCTs	More Advanced Developing Countries and Territories
NAFTA	North American Free Trade Area
NGO	Non-Governmental Organization
OECD	Organization for Economic Co-operation and Development
OLICs	Other Low Income Countries
PRSP	Poverty Reduction Strategy Paper
SME	Small or Medium-sized Enterprise
SPS	Sanitary and Phyto-Sanitary
SRF	Strategic Results Framework
SSE	Small-Scale Enterprises
TCBDB	Joint WTO/OECD Trade Capacity Building Database
TBT	Technical Barriers to Trade
TRA	Trade Related Assistance
TRIPs	Trade Related Intellectual Property Rights
TRTA/CB	Trade Related Technical Assistance & Capacity Building
UMICs	Upper Middle Income Countries
UN	United Nations
UNCTAD	United Nations Conference on Trade & Development
UNDAF	United Nations Development Assistance Framework
UNECE	United Nations Economic Commission for Europe
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organisation
UNISTE	United Nations International Symposium on Trade Efficiency
WCO	World Customs Organization
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

1 Survey of Trade Related Technical Assistance

1.1 Introduction

This report surveys the provision of Trade Related Technical Assistance (TRTA) and TRTA Capacity Building (TRTA/CB) by donors and international organisations at the multilateral, regional and country level. The comparative advantages of the International Trade Centre (ITC) can only be assessed relative to other providers of TRTA as well as to overall developments in the provision of TRTA.

The purpose of this report is to provide a perspective on the overall patterns on TRTA and to assess the comparative position of ITC in a statistical sense in the provision of TRTA in different areas of technical competence as compared to other international organisations and Multilateral Development Banks. Similarly the pattern of provision of TRTA by bilateral donor projects is compared to that provided through multilateral organizations.

The source for the data is the Doha Development Agenda TRTA/CB Database that has been developed by the Organization for Economic Co-operation & Development (OECD) and the World Trade Organization (WTO) to record commitments to TRTA as a follow-up to the Doha Ministerial Declaration. The data series start in 2001 and data are now available for 2001, 2002 and 2003.

The concept of TRTA as a component of development co-operation was developed in the context of the Doha WTO Ministerial Declaration in 2001. Of course TRTA had been provided previously especially in the context of assisting countries to implement the WTO and to accede to the WTO. Certainly funding for trade development by developing countries had been provided for many years. The existence of ITC for many years is evidence that TRTA was provided, but before 2001 data were not collected on a systematic basis for TRTA. The impression of many observers is that TRTA has increased in recent years compared to the 1990s but the data have not been collected on a systematic basis to support this contention.

Since ITC has mainly operated within the trade development areas of TRTA, the analysis in this report concentrates on the trade development components of TRTA/CB activities, only touching upon trade policy issues in so far as they are related to the organisations that ITC is working with or in selected areas of specific relevance to ITC.

First, this report examines the overall role of TRTA in Development Assistance and the different categories of TRTA – *trade policy and regulations*, *trade development*, and *infrastructure*. Second the report examines the distribution of Trade Development among countries according to income levels, and the sources of funding for TRTA. Third, the report examines the provision of Trade Development TRTA by different international organisations in different areas of technical competence. There is also an Annex that reviews the geographic distribution of Trade Development TRTA.

1.2 Methodology and Data Issues

The report uses the information, definitions of TRTA and statistical analysis available on the Doha Development Agenda TRTA/CB Database (TCBDB) website¹. Based on interviews with ITC staff, and through working with the database, the Evaluation became aware of issues related to the comparability and validity of data in the database. Nonetheless, for the purposes of this report the DDA Database is the only source of information with a global overview of TRTA activities which permits a comparison of the different donors operating in this field, as well as to compare the data retrieved with ITC's activities, its share of TRTA provision and its target recipients.

The TCBDB has been established by the WTO jointly with the OECD to provide information on trade-related technical assistance and capacity building projects. The objectives of the Database are to create better transparency of TRTA and CB delivered; to exchange and share information; to minimize and avoid duplication of TRTA and CB delivered; to estimate the progress in the implementation of the Doha mandates on technical assistance and capacity building; to coordinate and cohere; and to encourage as well as to assist beneficiary countries to manage their TRTA needs. Data is reported from bilateral donors and multilateral/regional agencies. It covers national as well as regional projects. At present, the period of coverage is 2001, 2002, 2003, partial 2004 and subsequent years. The TCBDB contains over 12000 activities provided by 40 bilateral donor countries and multilateral agencies.

Where possible, one record is reported for each beneficiary country. Where this is not possible, activities are reported under regional projects and programmes under the most specific available "unspecified" category (e.g. South of Sahara unspecified" for West Africa). The category "Developing countries unspecified" is used if an activity benefits several regions, and the category "LDCs unspecified" is used if an activity focus specifically on the group of Least Developed Countries, but not on a particular country. As a result when one reviews the Geographic Distribution of TRTA as in the Annex, "Developing Countries Unspecified" turns out to be an important "region" of the world in terms of the allocation of TRTA.

The data analysed in the Desk Study Report, which was prepared during 2004, were updated extensively, using the latest information available on the TCBDB database on 2003 and incorporating revisions to data for the previous years. New data allow one to observe certain trends and patterns in the provision of TRTA/CB. The Evaluation has also drawn on in our analysis the WTO/OECD Joint Report on TRTA which was released at the end of 2004².

It is important to note that data are based on reporting by development agencies and projects are normally reported early in the project cycle. Thus, for example, the significance of "Developing Countries Unspecified" may reflect the situation that when regional or global projects are proposed or announced, the funding may not be allocated among beneficiary countries, but during project implementation actual country specific allocations could be made. Yet such allocations which were subsequently implemented, are not necessarily reported to the TCBDB.

The 2003 data also include revisions to the data for 2001 and 2002. One reason is that reporting agencies revise their filings for previous years when they make the new filings. As a result the data and analysis based on the data are time specific. All the data in this report are based on data

¹ <http://tcbdb.wto.org/index.asp>

² 2004 Joint WTO/OECD Report on Trade-Related Technical Assistance and Capacity Building (TRTA/CB), December 2004, <http://tcbdb.wto.org/publish>

drawn from the Doha Database subsequent to the revisions in January and February 2004. All of the tables have been recalculated and this report supersedes the data analysis contained in the Desk Study Report. When the Evaluation updated the analysis to incorporate the data available for 2003, a number of discrepancies were noted with the 2001 and 2002 data. Consequently all of the data analysis has been updated based on the data available as of March 2004.

Data are reported on a yearly basis, but frequently for purposes such as comparing allocations of TRTA to specific fields or to specific institutions, the data are cumulated for the three years, to indicate the total allocation over the three year period to reduce the effects of year to year fluctuations in commitments.

There are challenges in the allocation of projects to the categories of TRTA since many projects include components related to different elements of TRTA. Also projects in other development fields can contain TRTA components. For example, a rural development project may include a component on sanitary and phytosanitary measures related to trade policy and regulations and a component related to trade development.

Finally it is worth noting that in the Doha Data Base the European Commission is treated as a multilateral provider of TRTA. However, it has many the characteristics of a bilateral donor since it draws on its own revenues to fund technical assistance. Since the EC is the largest funding source for TRTA this is a point that should be kept in mind.

1.3 Overview of Trade Related Technical Assistance

According to the Doha Development Agenda Trade Capacity Building Database that provides information on bilateral and multilateral/regional agencies' trade-related technical assistance and capacity building activities, an average of 8,500 plus TRTA/CB activities were conducted annually in the years 2001-2003. There were a total of 11,909 activities carried out under *trade policy and regulations* category and 7,376 activities under the category of *trade development* during the three year period. Some 6,299 activities were committed on average for *infrastructure* in 2001-2003. The value of these amounted to 2.3 billion US\$ for *trade policy and regulations*; 4.4 billion US\$ for *trade development* and 26.2 billion US\$ for *infrastructure investment* (not all of it directed specifically to trade, e.g. ports, roads).

Multilateral donors and implementing agencies such as ITC, United Nations Conference on Trade and Development (UNCTAD), United Nations Development Program (UNDP), United Nations Industrial Development Organization (UNIDO), World Bank, WTO, World Intellectual Property Organization (WIPO), World Customs Organization (WCO), Food & Agriculture Organization (FAO), Agency for International Trade Information and Co-operation (AITIC), the Advisory Centre for WTO Law (ACWL) and a range of regional organisations and development banks are engaged both individually and jointly in TRTA/CB. The Integrated Framework (IF) that responds to the needs of LDCs and the Joint Integrated Technical Assistance Program (JITAP) (whose main objective is to help African countries to strengthen their capacity to participate in the WTO) are two of the main multi-donor mechanisms for facilitating integration into the new Multilateral Trading System and enhancing the capabilities of enterprises to export to new and existing markets. The main bilateral contributions in *trade policy and regulations* and in *trade development* emanated from the United States with more than half of total commitments. The United States was followed by Canada and Japan since the European Commission (EC) is classified as a multilateral donor. If the EC was reclassified as a bilateral donor, it would be the largest bilateral donor to TRTA.

The total cumulative contribution to the multilateral TRTA/CB providers in 2001, 2002 and 2003 reached 1.8 billion US\$. Multilateral agencies and programmes are the main TRTA/CB channels for many donors, while others utilise bilateral assistance more heavily. The interpretation of TRTA/CB is quite broad, with specific objectives ranging from participation in trade negotiations and implementing agreements to supporting national institutions and enhancing productive capacity. Some donors emphasise the trade policy process and mainstreaming trade into national development plans, while others focus on private sector and SME development, investment-related assistance, or promoting imports from developing countries.

The role of TRTA in Development Assistance

The category of Trade Related Technical Assistance (TRTA) comprises three areas; Trade Development, Trade Policy and Regulations, and Infrastructure. The largest expenditure item by category is Infrastructure followed by Trade Development and then Trade Policy and Regulations (see table, below and figures over leaf).

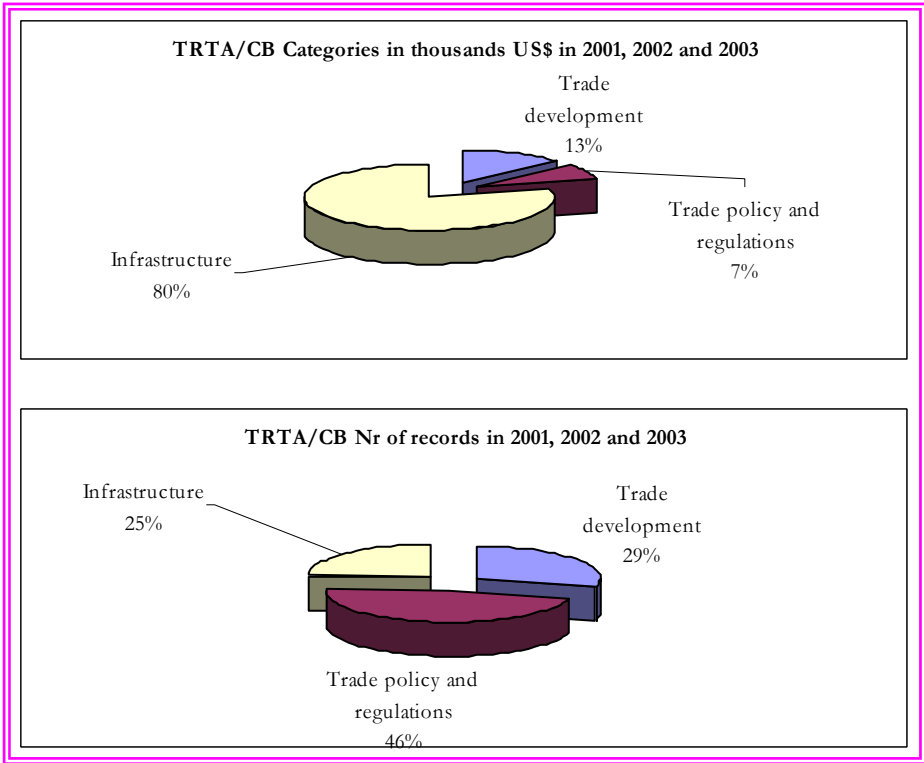
Table 1: TRTA and Capacity Building Categories in 2001, 2002 and 2003

Category Measures	Amount (US\$ thousands)	Number of records
Trade development	\$ 4 434 332	7 376
Trade policy and regulations	\$ 2 307 567	11 909
Infrastructure	\$ 26 138 456	6 299

Source: Doha Development Agenda Trade Capacity Building Database as of April 2005.

The following figures depict the relative shares of TRTA categories in terms of dollar amounts and the number of projects. It is evident that the Infrastructure category has the largest projects, since its total funds are more than four times the combined amounts of the other two categories.

Figure 1: TRTA/CB Categories in 2001, 2002 and 2003



The combined total of Trade Development and Trade Policy and Regulations is 6.7 billion US dollars in the years 2001, 2002 and 2003. Infrastructure alone totals 26.1 billion US dollars. Although there are possible challenges to these data, we can compare them, at least broadly, with the total data on Official Development Assistance.

The share of TRTA/CB for trade policy and regulation and for trade development averaged 3.7 percent of DAC contributions for technical assistance. If infrastructure is included then TRTA amounted to 18 percent of DAC contributions during these three years.

In 2003, TRTA commitments for trade policy and regulation and trade development rose to 4.6 percent of total DAC contributions. Within Trade Policy and Regulations, the categories for which assistance rose most in 2003 were technical standards (TBT, SPS), trade mainstreaming in

development plans, and trade facilitation. Within aid to trade development, support increased most significantly for trade promotion in the industrial and agricultural sectors and for market development in the industry and service sectors. Donors increased their funding to multilateral trust funds and programmes such as the Doha Development Agenda Trust Fund, the Integrated Framework and JITAP by 24% between 2002 and 2003. The following table reports Official Development Assistance as reported by the OECD Development Assistance Committee.

Table 2: Net Official Development Assistance in 2001 - 2004

	2001		2002		Percent change 2001 to 2002 in real terms (1)	2003		2004 (2) Preliminary data		Percent change 2003 to 2004 in real terms (2)
	ODA US\$m current	ODA /GNI %	ODA US\$m current	ODA/ GNI %		ODA US\$m current	ODA/ GNI %	ODA US\$m current	ODA/ GNI %	
Australia	873	0.25	989	0.26	4.9	1 219	0.25	1 465	0.25	2.3
Austria	533	0.29	520	0.26	-8.4	505	0.20	691	0.24	22.0
Belgium	867	0.37	1 072	0.43	14.8	1 853	0.60	1 452	0.41	-30.3
Canada	1 533	0.22	2 006	0.28	31.2	2 031	0.24	2 537	0.26	12.2
Denmark	1 634	1.03	1 643	0.96	-5.8	1 748	0.84	2 025	0.84	3.5
Finland	389	0.32	462	0.35	11.5	558	0.35	655	0.35	5.9
France	4 198	0.32	5 486	0.38	22.1	7 253	0.41	8 475	0.42	4.3
Germany	4 990	0.27	5 324	0.27	-0.2	6 784	0.28	7 497	0.28	-0.4
Greece	202	0.17	276	0.21	25.5	362	0.21	464	0.23	13.1
Ireland	287	0.33	398	0.40	25.7	504	0.39	586	0.39	2.2
Italy	1 627	0.15	2 332	0.20	32.6	2 433	0.17	2 484	0.15	-9.7
Japan	9 847	0.23	9 283	0.23	-1.2	8 880	0.20	8 859	0.19	-4.8
Luxembourg	139	0.76	147	0.77	0.2	194	0.81	241	0.85	10.5
Netherlands	3 172	0.82	3 338	0.81	-3.3	3 981	0.80	4 235	0.74	-4.0
New Zealand	112	0.25	122	0.22	-1.1	165	0.23	210	0.23	8.2
Norway	1 346	0.80	1 696	0.89	12.7	2 042	0.92	2 200	0.87	-2.9
Portugal	268	0.25	323	0.27	9.2	320	0.22	1 028	0.63	187.5
Spain	1 737	0.30	1 712	0.26	-10.3	1 961	0.23	2 547	0.26	14.5
Sweden	1 666	0.77	1 991	0.83	10.9	2 400	0.79	2 704	0.77	1.4
Switzerland	908	0.34	939	0.32	-5.0	1 299	0.39	1 397	0.37	-3.0
United Kingdom	4 579	0.32	4 924	0.31	0.0	6 282	0.34	7 836	0.36	8.8
United States	11 429	0.11	13 290	0.13	15.0	16 320	0.15	18 999	0.16	14.1
TOTAL DAC	52 335	0.22	58 274	0.23	7.2	69 094	0.25	78 568	0.25	4.6
Average Country Effort		0.39		0.41			0.41		0.42	
<i>Memo Items</i>										
1. EC	5 961		6 561		2.1	7 173		8 605		7.1
2. EU countries combined	26 288	0.33	29 949	0.35	5.8	37 139	0.35	42 919	0.36	2.9

3. G7 countries	38 202	0.18	42 646	0.20	9.2	49 982	0.21	56 686	0.22	5.4
4. Non-G7 countries	14 133	0.47	15 627	0.47	1.8	19 112	0.46	21 882	0.45	2.2

(1) Taking account of both inflation and exchange rate movements. (2) At 2003 prices and exchange rates.
Source: Statistical Annex of the Report of the DAC OECD

Table 3: Commitments of TRTA/CB by donor from 2001 to 2003 – US\$ million

	2001			2002			2003		
	Trade policy and regulations	Trade development (a)	Contributions to multilateral TRTA/CB providers (WTO, IF, ITC and JITAP)	Trade policy and regulations	Trade development (a)	Contributions to multilateral TRTA/CB providers (WTO, IF, ITC and JITAP)	Trade policy and regulations	Trade development (a)	Contributions to multilateral TRTA/CB providers (WTO, IF, ITC and JITAP)
Australia	7.1	5.3	0.0	2.7	8.8	0.2	11.6	2.7	0.4
Austria (b)	-	0.2	-	0.1	0.3	0.2	0.5	0.9	0.2
Belgium (c)	0.7	8.4	0.0	1.5	6.9	0.9	1.7	56.9	0.5
Canada	39.3	44.1	1.5	10.4	26.0	1.7	46.7	21.2	2.8
Denmark	0.0	9.2	1.8	-	3.7	1.5	0.4	38.7	3.5
Finland	1.3	2.3	0.9	3.7	2.6	0.6	2.0	8.6	0.9
France (d)	0.8	7.2	0.9	5.4	113.0	0.7	13.7	82.3	2.7
Germany (e)	0.6	80.5	1.3	9.0	62.6	1.8	12.4	84.2	2.5
Greece (b)	-	-	0.0	-	-	0.1	0.4	0.1	-
Ireland	0.5	-	0.4	0.3	-	0.4	0.6	-	0.5
Italy (f)	0.2	6.0	0.2	1.0	2.8	1.3	0.4	2.3	1.6
Japan	20.6	35.8	0.0	16.1	34.9	1.5	24.9	33.9	0.7
Netherlands	8.3	23.5	3.5	2.6	20.8	3.3	8.6	54.9	3.3
New Zealand	0.9	5.7	-	0.9	6.3	0.2	1.0	7.8	-
Norway (g)	4.1	33.0	1.8	0.9	7.6	3.6	1.6	-	4.6
Portugal	0.0	1.0	-	0.1	14.5	-	0.1	2.7	-
Spain	0.3	0.6	0.1	1.5	0.7	0.2	2.8	2.8	0.4
Sweden	5.1	4.1	2.0	2.7	1.6	4.1	11.3	9.4	3.8
Switzerland	7.6	30.7	5.7	8.1	55.7	5.4	3.8	88.5	6.1
United Kingdom	11.2	38.7	1.2	19.3	34.7	2.6	40.8	50.2	1.4
United States	179.2	376.3	1.2	179.4	436.2	1.7	187.6	520.6	2.9
Total DAC	287.6	712.6	22.7	265.7	839.7	32.1	372.9	1 068.7	38.9
Other bilateral (h)	2.8	1.2	1.2	8.2	3.1	0.7	15.8	2.3	0.8
Total bilateral	290.4	713.8	23.9	273.8	842.8	32.8	388.6	1 071.0	39.7
AsDB	3.3	0.6	-	59.3	1.4	-	1.1	0.2	-
EC	309.9	507.0	0.6	292.3	419.3	0.0	377.3	465.9	1.0
FAO	1.5	3.8	-	2.3	6.2	0.0	4.7	8.3	-
IDA (i)	44.5	108.0	0.2	17.4	25.5	0.8	183.1	191.4	1.3
IMF	1.8	0.0	-	1.5	0.0	-	1.3	0.0	-
UN (j)	3.5	2.6	1.1	4.9	3.2	1.8	4.1	3.8	1.7
Other multilateral (k)	0.7	0.9	0.7	1.5	1.0	0.8	6.2	0.8	1.4
Implemented by ITC	0.4	16.3	-	1.2	19.9	-	2.1	20.5	-
Implemented by WTO (l)	2.5	-	-	11.4	-	-	14.9	-	-
Total multilateral	368.2	639.2	2.5	391.7	476.6	3.4	594.8	690.9	5.3
TOTAL	658.6	1 353.0	26.4	665.5	1 319.4	36.3	983.4	1 761.9	45.0

Notes:

(a) A number of donors isolated the trade component of each activity, whereas others reported the whole activity marking it trade-related. The total amounts of TRTA/CB in this category should therefore be interpreted with caution.

(b) Austria and Greece did not report to the TCBDB in 2001 and 2002. Austria's figures for these 2 years include only activities implemented (and reported) by multilateral agencies.

(c) The sharp increase of commitments to trade development in 2003 is due to the fact that Belgium could not isolate the trade components of some broad activities in 2003.

(d) The *Agence Française de Développement* (AFD) did not provide data in 2001.

(e) The decrease in the total of Germany's commitments in 2002 is due to a difference of methodology between 2001 and 2002. In 2001, Germany committed US\$81 million for development programmes with trade components; in 2002 this sum increased to US\$105 million. However, trade-related amounts within broader programmes have been isolated only as from 2002.

(f) Italy did not report its 2003 bilateral activities to the TCBDB. Hence, 2003 totals shown in the table include only activities funded by Italy and implemented (and reported) by multilateral agencies.

(g) Norway could not provide complete reporting for 2002 and did not report its 2003 bilateral activities. Totals for 2002 are thus only partial and totals for 2003 include only activities funded by Norway and implemented (and reported) by multilateral agencies.
(h) Includes countries that did not report but did fund activities implemented by international organisations or contributed to TRTA/CB trust funds.

(i) The decrease in 2002 is due to the periodicity of the programming cycle of IDA loans. The Country Assistance Strategies for IDA countries have three year cycles; for some countries these strategies were developed pre-Doha and introduction of trade activities will have to wait until the next cycle.

(j) Includes ESCAP, UNCTAD, UNDP, UNECE and UNIDO; the ESCWA could not provide amounts.

(k) Includes APEC, the Islamic Development Bank, WCO and various other agencies which funded activities reported by other multilaterals or which contributed to TRTA/CB Trust funds. The EBRD and the IBRD provide non-concessional loans; their commitments are thus not included in the table.

(l) The WTO could provide amounts for only part of its activities. The amounts in the table should therefore be taken as a minimum.

Source: 2004 Joint WTO/OECD Report on Trade-Related Technical Assistance and Capacity Building (TRTA/CB)

The Allocation of Activities in the Main Categories of TRTA

According to the Doha Development Agenda Trade Capacity Building Database (TCBDB) that provides information on bilateral and multilateral/regional agencies' trade-related technical assistance and capacity building activities, on average some 8,500 TRTA/CB actions were conducted each year, 2001-2003. The activities were mainly in *trade development* (total of 7,376) and in *trade policy and regulations* (total of 11,909). Some 2,100 activities were committed on average for *infrastructure* in 2001 - 2003. The value of these commitments amounted to 2.30 billion US\$ for *trade policy and regulations*; 4.43 billion US\$ for *trade and development* and an average of 26.13 billion US\$ for *infrastructure investment* (not all of it directed to trade, e.g. ports, roads).

The following tables depict the two TRTA subcategories of trade policy and infrastructure. Trade development will be described in more detail in the next chapter.

Table 4: Trade policy and regulations, commitments from 2001 - 2003

Category Measures	Amount (US\$ thousands)	Number of records
TOTAL	\$ 2 307 567	11 909
<i>Trade mainstreaming in PRSPs/development plans</i>	\$ 310 854	1 043
Technical barriers to trade (TBT)	\$ 99 527	762
Sanitary and phytosanitary measures (SPS)	\$ 196 829	643
<i>Total technical standards</i>	\$ 296 355	1 405
Trade facilitation procedures	\$ 653 327	1 178
Customs valuation	\$ 38 351	282
Tariff reforms	\$ 1 165	26
<i>Total trade facilitation</i>	\$ 692 843	1 486
<i>Regional trade agreements (RTAs)</i>	\$ 360 942	246
Accession	\$ 55 882	225
Dispute settlement	\$ 7 609	479
Trade-related intellectual property rights (TRIPS)	\$ 37 062	349
Agriculture	\$ 23 155	302
Services	\$ 28 198	504
Tariff negotiations - non-agricultural market access	\$ 12 582	761
Rules	\$ 12 297	317
Training in trade negotiation techniques	\$ 29 790	456
Trade and environment	\$ 143 709	506
Trade and competition	\$ 100 392	518

Trade and investment	\$ 27 278	445
Transparency and government procurement	\$ 11 379	188
Total Multilateral trade negotiations and agreements	\$ 489 333	5 050
Trade education/training	\$ 157 239	2 679

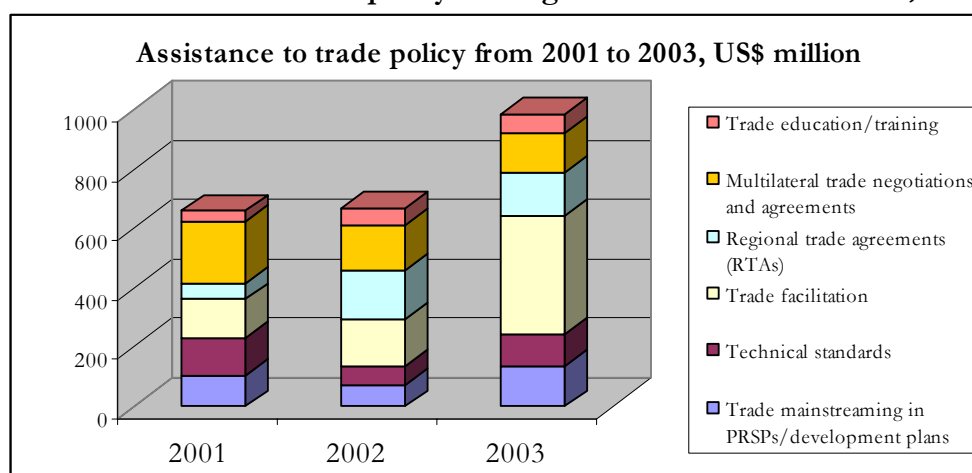
Source: Doha Development Agenda Trade Capacity Building Database as of April 2005.

Table 5: Infrastructure, commitments in 2001 – 2003³

Category Measures	Amount (US\$ thousands)	Number of records
TOTAL	\$ 26 138 456	6 299
Transport & Storage	\$ 13 943 978	2 225
Communications	\$ 1 033 362	2 016
Energy	\$ 11 161 115	2 058

Source: Doha Development Agenda Trade Capacity Building Database as of April 2005.

Figure 2: Assistance to trade policy and regulations from 2001 to 2003, US\$ million

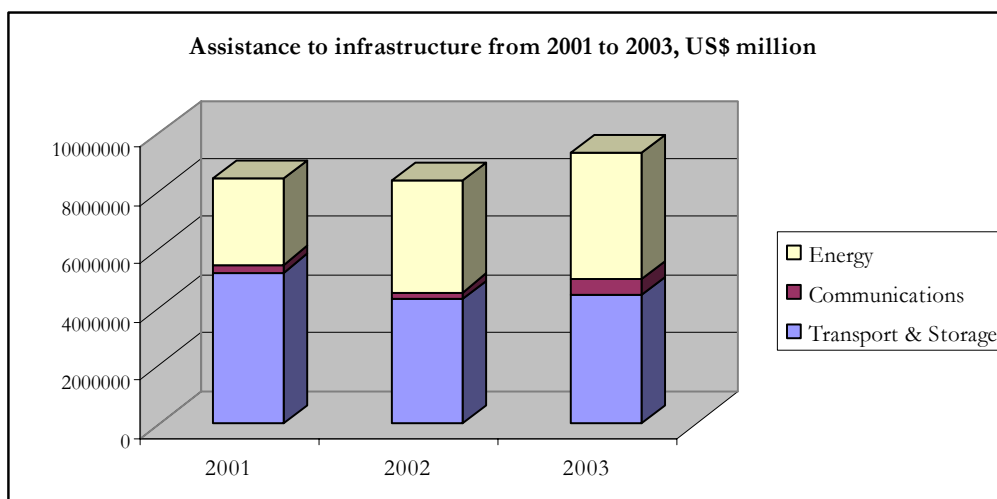


The figure above shows that in 2003 there was a sharp increase of assistance in trade policy and regulations, attributable to the increase of commitments for trade mainstreaming, technical standards and trade facilitation. “The increase of trade facilitation reflects the response to the need for assistance to enhance custom administration’s efficiency, in order to reduce transaction costs related to foreign trade operations. Africa and Asia are the regions that benefited most from the increase of aid to trade facilitation. In 2003, aid to Africa in this category quadrupled to reach US\$ 200 million and aid to Asia was almost multiplied by 6, to reach US\$ 117 million.”⁴

Figure 3: Assistance to infrastructure from 2001 to 2003, US\$ million

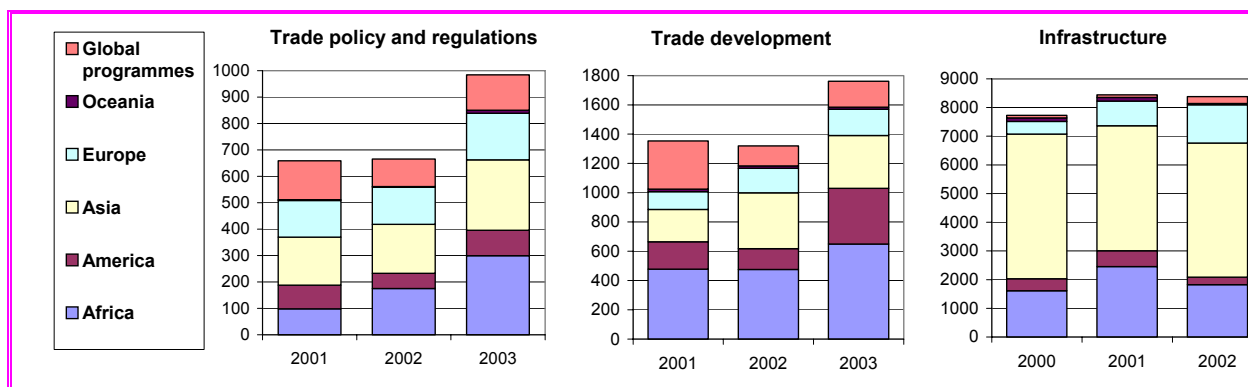
³ Typical activities under infrastructure category would be: transport and storage - construction, rehabilitation and maintenance of transport infrastructure, as well as technical co-operation in transport studies and policy; communications - finance of telecommunications and postal infrastructure, support to sector policy, planning and programmes; energy - construction/rehabilitation of electric and gas power plants, assistance to energy policy, planning and programmes.

⁴ 2004 Joint WTO/OECD Report on Trade-Related Technical Assistance and Capacity Building (TRTA/CB)



Commitments to infrastructure from 2001 to 2003 constituted more than 26 billion US\$. Over the three years, the biggest increase was in commitments to energy while commitments to transport and storage decreased. In each of the infrastructure categories, the main beneficiary region was Asia (China, India, Indonesia in particular).

Figure 4: Distribution of TRTA/CB and infrastructure by region and main category – US\$ million

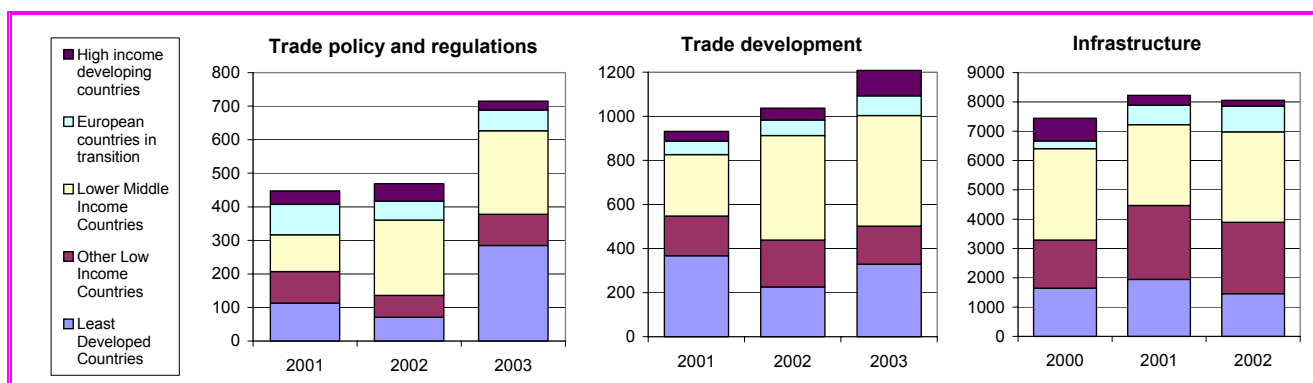


Source: 2004 Joint WTO/OECD Report on Trade-Related Technical Assistance and Capacity Building (TRTA/CB)

“Donors focused a greater share of their assistance on Least Developed Countries (LDCs), the income group that benefited the most from the recent increase in TRTA/CB. In 2003, LDCs represented 40% of total commitments for support to trade policy and regulations – in line with their share of total aid – and 27% of commitments for support to trade development [...]. The figure above shows that trade-related technical assistance and capacity building increased significantly in 2003, after being static between 2001 and 2002. Commitments for *trade policy and regulations*, -- which amounted in 2001 and 2002 to some 660 million US\$ per year, -- increased sharply to reach almost 1 billion US\$ in 2003. Similarly, commitments for *trade development* activities, which amounted to some 1.35 billion US\$ per year in 2001 and 2002, reached 1.8 US\$ in 2003. Assistance to build *infrastructure* – though not all directed to trade – was stable at around US\$8 billion per year between 2000 and 2002. [...] Aid to *trade policy and regulations* increased in all developing regions, but particularly in Africa, where it tripled between 2001 and 2003. Examples of broad activities committed in 2003 include a regional trade facilitation programme of the United Kingdom that aims to increase trading opportunities for small scale farmers and traders

through the development of common standards across goods and services and the streamlining of customs procedures in Southern Africa. Another example is France’s regional programme that aims to develop “fair trade” in Africa. In 2003, the volume of commitments to *trade development* activities increased in Africa and America, mainly through *regional programmes*, e.g. an IDA loan to assist the development of power exports between southern African countries, or an EC’s multisector SME development project in South America.”⁵

Figure 5: Distribution of TRTA/CB and infrastructure by income group and main category – US\$ million



Source: 2004 Joint WTO/OECD Report on Trade-Related Technical Assistance and Capacity Building (TRTA/CB)

“The breakdown by income groups shows a huge increase of assistance for *trade policy and regulations* to LDCs, from 70 million US\$ in 2002 to almost 290 million US\$ in 2003. Commitments to trade policy-related activities to Africa, where most of the LDCs are, rose in 2003. Moreover, significant projects for non-African LDCs, such as Afghanistan and Bangladesh and global programmes for LDCs were reported in 2003.”⁶

Assistance to LDCs in trade development also increased in 2003.

⁵ Ibid.

⁶ Ibid.

1.4 Survey of Trade Development

The average total value of Trade Development TRTA activities in 2001, 2002 and 2003 was 1.47 billion US\$ with a slight decline in the global amount from 2001 to 2002 but a sharp increase in 2003. The number of activities in 2002 reached 2,676 (see Figure 4.1.1 below) increasing from a total of 1,959 in the year 2001. Unfortunately there is considerable variation in how activities are aggregated and reported by different donors and by different providers of TRTA. Clearly, the average monetary values for activities slumped from 2001 to 2002 because of a slight decline in the total dollar amounts but a significant increase in the number of activities. However in 2003 due to the great increase in trade promotion activities (which almost doubled in 2003), the whole trade development category augmented by 33%.

Table 6: Trade development commitments⁷ in 2001, 2002 and 2003

Category Measures	Amount (US\$ thousands)			Number of records		
	2001	2002	2003	2001	2002	2003
TOTAL	\$ 1 352 975	\$ 1 319 447	\$ 1 761 910	1 959	2 731	2 686
A- Business support services and institutions ⁸	\$ 496 926	\$ 342 329	\$ 360 641	929	786	743
B-Public-private sector networking ⁹	\$ 26 559	\$ 27 928	\$ 26 724	35	71	57
C- E-commerce ¹⁰	\$ 1 734	\$ 36 614	\$ 31 363	33	103	126
D- Trade finance ¹¹	\$ 412 677	\$ 343 410	\$ 326 348	239	383	429
E- Trade promotion strategy and implementation ¹²	\$ 228 754	\$ 318 795	\$ 690 561	365	646	630
F- Market analysis and development ¹³	\$ 186 326	\$ 250 372	\$ 326 273	358	742	701

Source: The Trade Capacity Building Database as of April 2005

37% of finance for trade development activities in years 2001 and 2002 went to business support services and institutions. In 2003, the proportion of activities for business support services and institutions fell to 20% of total commitments. The second biggest category in 2001 and 2002 was

7 A commitment is a firm obligation, expressed in writing and backed by the necessary funds, undertaken by an official donor to provide assistance for a specified purpose and under specified financial terms and conditions for the benefit of the recipient country or multilateral organization.

8 Definition given by the DDA Database: Support to trade and business associations, chambers of commerce; legal and regulatory reform aimed at improving business and investment climate; private sector institution capacity building and advice.

9 Definition given by the DDA Database: Tools and mechanisms for improved dialogue and resource sharing between public and private sector (and within the private sector) at the national, regional and global levels.

10 Definition given by the DDA Database: Promotion of information communication technologies for enhancing trade; training and provision of software and hardware to improve e-commerce capability.

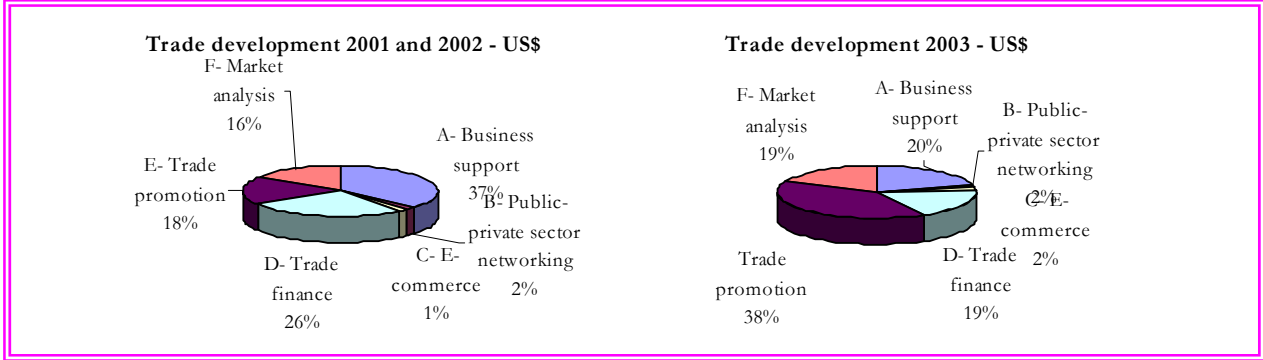
11 Definition given by the DDA Database: Access to trade finance; reform of financial systems, banking and securities markets to facilitate trade; laws and regulations that protect and promote trade-related investment.

12 Definition given by the DDA Database: Development of a national sector-level trade strategy; workforce development in export industries; implementation of sector-specific and strategies in agriculture, forestry, fishing, industry, mining and tourism, including "fair trade programmes".

13 Definition given by the DDA Database: Access to market information; advice on standards, packaging, quality control, marketing and distribution channels in agriculture, forestry, fishing, industry, mining and tourism.

trade finance, with 26% of total commitments (see figure below). The value of trade finance activities in 2003 continued to decrease to 18% of the total. A rapid increase in the value and number of commitments (especially in 2001 and 2002) during 2001 to 2003 encompassed categories such as trade promotion strategy and implementation and market analysis and development. The trade promotion category in terms of value constituted approximately one third of the total trade development commitments in 2003. Market analysis reached 26% in terms of the number of activities and 18% in terms of value in 2003.

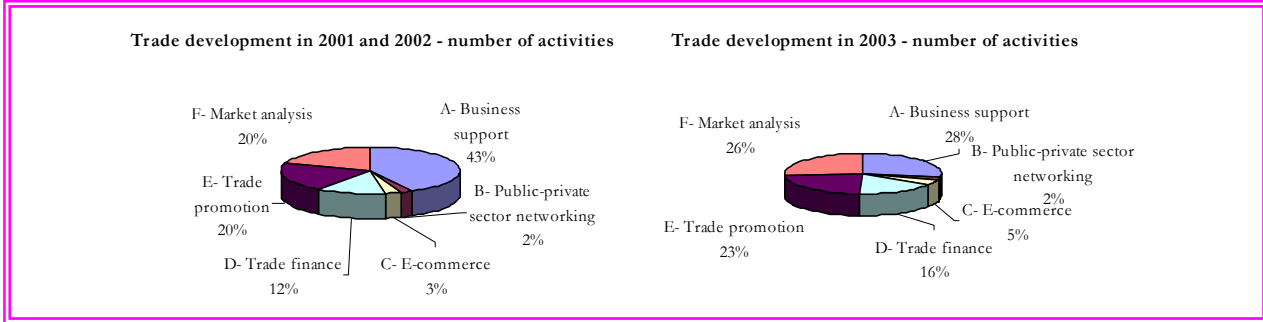
Figure 6: Trade development by type of activity in 2001, 2002 and 2003 – US\$



Source: The Trade Capacity Building Database as of April 2005

Looking at the number of activities in each category in 2001 and 2002, one can see from the figure below that trade finance was second biggest in value but for activities was only in fourth place, after business support services (43% of the total number of activities), trade promotion strategy and implementation and market analysis and development (20% of total number of activities each). Business support services category had shrunk in 2003 both in value and in activities.

Figure 7: Trade development by type of activity in 2001, 2002 and 2003 – number of activities



Source: The Trade Capacity Building Database as of April 2005

As mentioned before, the highest growth rate in 2003 compared to 2002 was in the trade development categories, trade promotion activities doubled in value while market analysis activities grew 30%. Market analysis activities had become more focused because the tendency to an increase in value was accompanied by a decrease in the number of activities. Business support services activities showed a 5% increase in value while the other categories decreased in value (and volume in the case of e-commerce).

Table 7: The growth rates of trade development in 2002 and 2003 – US\$ thousands and number of commitments

Category Years (Commitments)	2001	2002	Growth rate in 2002 comparing to 2001	2003	Growth rate in 2003 compared to 2002
TOTAL	\$ 1 352 975	\$ 1 319 447	-2,48 %	\$ 1 761 910	33,53 %
A- Business support services and institutions	\$ 496 926	\$ 342 329	-31,11 %	\$ 360 641	5,35 %
B- Public-private sector networking	\$ 26 559	\$ 27 928	5,16 %	\$ 26 724	-4,31 %
C- E-commerce	\$ 1 734	\$ 36 614	2 011,81 %	\$ 31 363	-14,34 %
D- Trade finance	\$ 412 677	\$ 343 410	-16,78 %	\$ 326 348	-4,97 %
E- Trade promotion strategy and implementation	\$ 228 754	\$ 318 795	39,36 %	\$ 690 561	116,62 %
F- Market analysis and development	\$ 186 326	\$ 250 372	34,37 %	\$ 326 273	30,32 %

Category Years (Commitments No)	2001	2002	Growth rate in 2002 comparing to 2001	2003	Growth rate in 2003 comparing to 2002
TOTAL	1 959	2 731	39,41 %	2 686	-1,65 %
A- Business support services and institutions	929	786	-15,39 %	743	-5,47 %
B- Public-private sector networking	35	71	102,86 %	57	-19,72 %
C- E-commerce	33	103	212,12 %	126	22,33 %
D- Trade finance	239	383	60,25 %	429	12,01 %
E- Trade promotion strategy and implementation	365	646	76,99 %	630	-2,48 %
F- Market analysis and development	358	742	107,26 %	701	-5,53 %

Source: The Trade Capacity Building Database as of April 2005

It is interesting that while the value of trade development in 2002 compared to 2001 decreased by 2,4%, the number of activities increased significantly by 39,4%. However, in 2003 there was an opposite tendency –with a decrease of almost 2% in the number of activities but an increase (33,5%) in their value.

Distribution of trade development assistance by the income level of recipients¹⁴

The biggest recipients of trade development technical assistance over the years 2001 and 2003 were LMICs (28% of total), followed by LDCs (21%) and OLICs (15%). However, 28% of assistance for trade development remained unallocated¹⁵ (see table below).

Table 8: Trade development TRTA/CB by income level in 2001, 2002 and 2003 – US\$ thousand

Income Group	2001		2002		2003		Sum(2001, 2002, 2003)	
	US\$ thousand	% of Total	US\$ thousand	% of Total	US\$ thousand	% of Total	US\$ thousand	% of Total
Income Group	\$ 1 352 975	100 %	\$ 1 319 447	100 %	\$ 1 761 910	100 %	\$ 4 434 332	100 %
1. LDCs	\$ 367 741	27 %	\$ 225 599	17 %	\$ 328 256	19 %	\$ 921 595	21 %
2. Other LICs	\$ 179 570	13 %	\$ 212 892	16 %	\$ 173 000	10 %	\$ 565 462	13 %
3. LMICs	\$ 278 724	21 %	\$ 473 861	36 %	\$ 502 193	29 %	\$ 1 254 778	28 %
4. UMICs	\$ 41 724	3 %	\$ 50 899	4 %	\$ 115 025	7 %	\$ 207 648	5 %
5. HICs			\$ 17	0 %			\$ 17	0 %
6. CEECs/NIS Part II	\$ 60 581	4 %	\$ 70 224	5 %	\$ 88 760	5 %	\$ 219 564	5 %
7. MADCTs	\$ 2 843	0 %	\$ 3 128	0 %	\$ 393	0 %	\$ 6 364	0 %
8. Unallocated	\$ 421 792	31 %	\$ 282 828	21 %	\$ 554 283	31 %	\$ 1 258 904	28 %

Source: The Trade Capacity Building Database as of April 2005

Altogether the **LMICs** received 1.2 billion US\$ assistance fro trade development activities in 2001-2003. The structure of assistance to the LMICs was as follows:

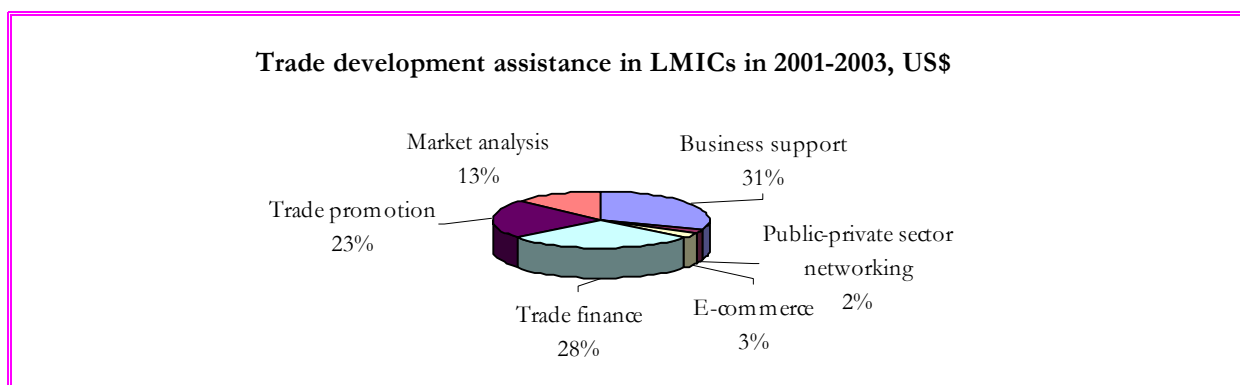
- Business support services and institutions –387 million US\$ and 603 activities, with South Africa as main beneficiary (received 82.8 million US\$) and the EC as main implementing agency (53% of total budget for business support services in LMICs or 204 million US\$).
- Trade finance – 352 million US\$ and 315 activities.
The main beneficiary was China (received 53.7 million US\$ during the same period), Egypt (received 51.9 million US\$). The United States were the most active in trade finance in LMICs, providing 35% of the budget and implementing 84 activities worth of 124 million US\$.
- Trade promotion strategy and implementation – 286 million US\$ and 443 activities. Main trade promotion technical assistance beneficiary was Egypt (received 70.3 million US\$ over the

¹⁴ LDCs: Least Developed Countries – group of 49 countries established by the United Nations;
OLICs: Other Least Developed Countries, include all non-LDC with per capita GNI below US\$ 760 in 1998 (World Bank Atlas basis);
LMICs: Lower Middle Income Countries, include all countries with per capita GNI between US\$ 761 and US\$ 3030 in 1998;
UMICs: Upper Middle Income Countries, include all countries with per capita GNI between US\$ 3031 and US\$ 9360 in 1998;
HICs: High Income Countries, include developing countries with per capita GNI above US\$ 9360 in 1998;
CEECs/NIS (part II): Central and Eastern European Countries / New Independent States (of the former Soviet Union) – excluding those considered as developing countries;
MADCTs: More Advanced Developing Countries and Territories.

¹⁵ The OECD defines « unallocated » as a category under which regional projects and programs are reportable.

same period of time). The leader among implementing agencies was the USA with 135 million US\$ allocated for the trade promotion activities in LMICs in 2001-2003.

Figure 8: Trade development technical assistance in LMICs in 2001, 2002 and 2003 - US\$



- Market analysis and development – 163.4 million US\$ and 506 activities. Main beneficiary in 2001-2003 were Philippines (29 million US\$). Around half of all trade promotion activities were implemented by the USA and 26% - by the EC.
- E-commerce – 42 million US\$ and 72 activities. Almost half of all e-commerce activities in 2001-2003 took place in Egypt (received 31 million US\$).
- Public-private sector networking – 21.5 million US\$ and 38 activities. Main beneficiary of this category of activities in 2001-2003 was Egypt (11.2 million US\$), and 93% of all activities were carried out by the USA.

Overall the biggest trade development assistance beneficiaries among LMICs were following countries:

- Egypt (received 4% of world's total or 197.7 million US\$),
- South Africa (received around 2% of world's total and 100.5 million US\$),
- China received 90.8 million US\$,
- Morocco received 86 million US\$,
- Serbia and Montenegro/FRY (received 85 million US\$),
- And Tunisia 79.8 million US\$.

40% of all activities (505.9 million US\$) were implemented by the USA. The EC carried out 25% (315.3 million US\$) of all trade development activities in LMICs. The ITC implemented projects with a value of 3.5 million US\$ for LMICs.

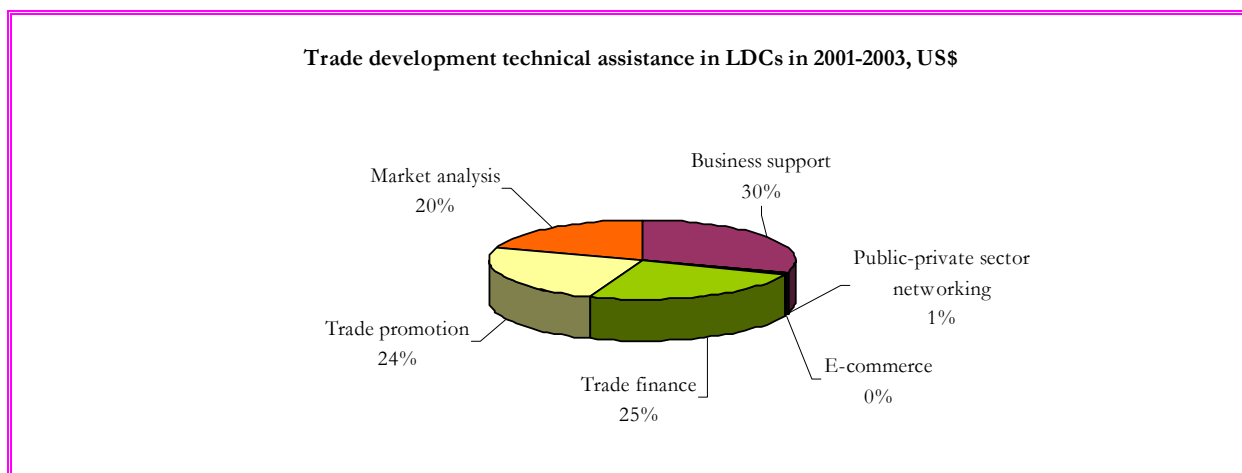
The overall value of trade development technical assistance in **LDCs** in 2002-2003 reached 921.5 million US\$. For the LDCs, funding was channelled in the following way:

- Business support services and institutions – 275.7 million US\$ and 545 activities; Main beneficiaries of business support activities in 2001-2003 were LDCs unspecified (13% of total business support activities in LDCs or 156 million US\$). Out of 28 activities carried out in LDCs unspecified, 18 were implemented by the ITC. The total value of ITC's activities was 939.000 US\$.

Notably, 68% of all business support services in LDCs were implemented by the EC.

- Trade finance – 227 million US\$ and 196 activities. Main beneficiary was Uganda (received 62 million US\$), and 34% of trade finance activities were implemented by IDA, 29% by the EC and 24% by EIB.

Figure 9: Trade development technical assistance in LDCs in 2001, 2002 and 2003 - US\$



- Trade promotion strategy and implementation – 224.4 million US\$ and 368 activities. Main beneficiary like in previous category was Uganda (received 23.2 million US\$). Trade promotion activities were mainly carried out by the USA (28% of total) and by France (23% of total).
- Market analysis and development – 185.4 million US\$ and 290 activities. 43% of all activities in this category were implemented by the EC and 36% - by the USA.
- Public-private sector networking – 5 million US\$ and 17 activities. Germany carried out 40% of total activities.
- E-commerce – 3.9 million US\$ and 38 activities; 73% of e-commerce projects in LDCs were implemented by the USA.

Among the top beneficiaries in LDCs there are the following countries:

- Uganda received 107.7 million US\$;
- Zambia received around 50 million US\$;
- Senegal received 49 million US\$
- Ethiopia received 42.5 million US\$,
- and Tanzania received 38 million US\$.

39% (360 million US\$) of all projects in LDCs in 2001-2003 were implemented by the EC. IDA and the USA each implemented 17% (around 155 million US\$) of all projects in LDCs.

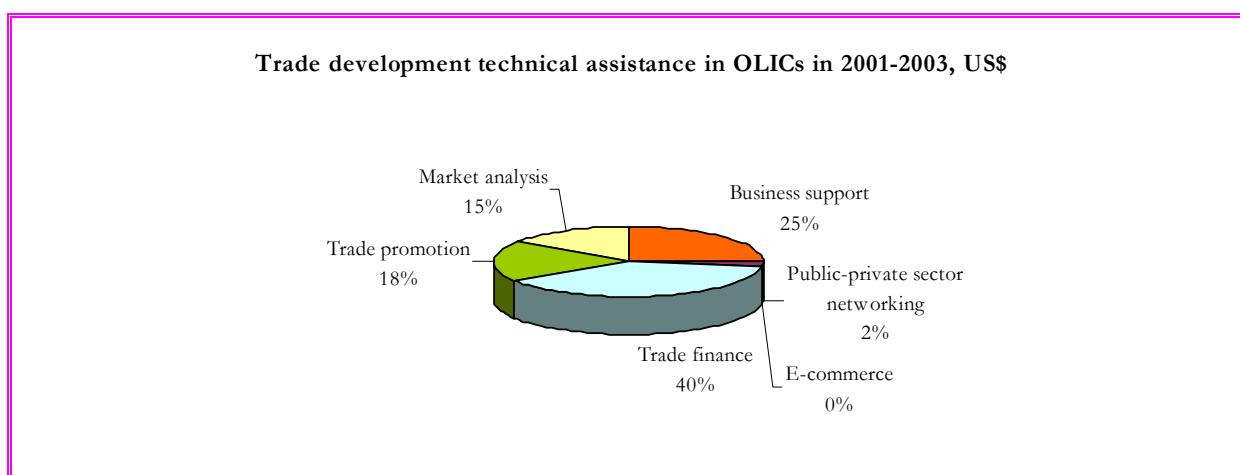
OLICs have received 565.4 million US\$ for trade development technical assistance in 2001-2003. Funding received by OLICs was distributed in the following manner:

- Trade finance – 219.5 million US\$ and 262 activities. Main beneficiary of trade finance TRTA in 2001-2003 was Pakistan (received 47.7 million US\$).

Around one fifth of the activities in trade finance were implemented by the EC. The USA carried out 29% of activities.

- Business support services and institutions –141 million US\$ and 449 activities; Ghana received 26 million US\$, Nigeria – 24.8 million US\$ and India – 12.8 million US\$. These three countries were the main beneficiaries of business support TRTA in 2001-2003. Activities were mainly carried out by bilateral agencies. Among them the main were the USA (23% of total) and United Kingdom (27% of total).

Figure 10: Trade development technical assistance in OLICs in 2001, 2002 and 2003 - US\$



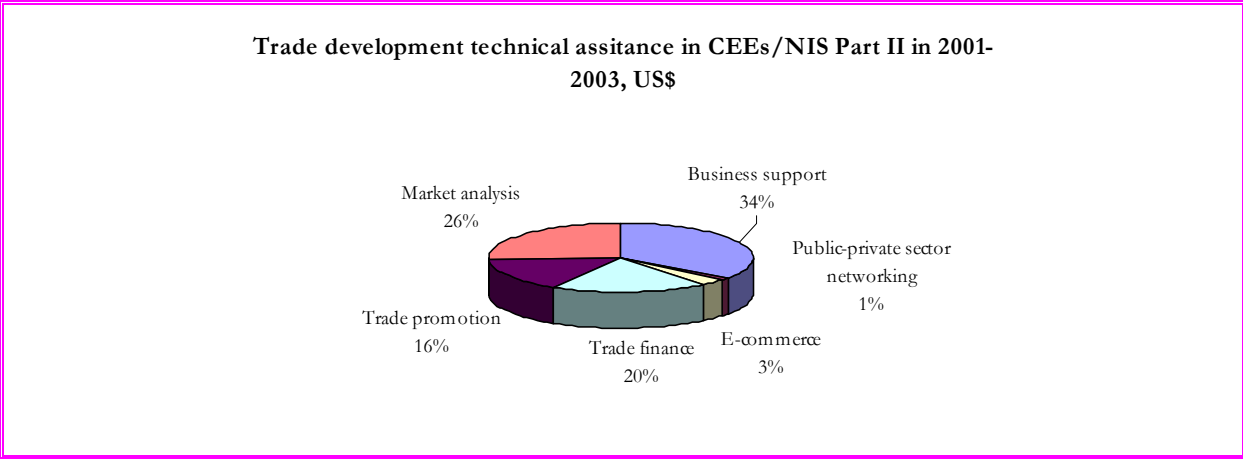
- Trade promotion strategy and implementation –104.5 million US\$ and 174 activities. Roughly one fifth (22 million US\$) of all trade promotion assistance for OLICs went to India. The USA carried out 52% of trade promotion TRTA in OLICs.
- Market analysis and development - 86.9 million US\$ and 225 activities. Main beneficiary was Ghana which received 27.5 million US\$ of technical assistance for market analyses. The USA implemented 43% of all projects and Canada – 31%.
- Public-private sector networking – 11.4 million US\$ and 18 activities. Most of the funds went to Nigeria which received 8.6 million US\$ donated by the United Kingdom (implemented 76% of all projects) for Nigeria Privatization programme.
- E-commerce – 1.5 million US\$ and 31 activity. Around 290.000 US\$ went to Pakistan and Indonesia and 230.000 US\$ - to Nicaragua. Over 1 million US\$ came from the USA.

The leader among OLICs in terms of funding received during the period of 2001-2003 was Ghana (total of 76 million US\$). Other main beneficiaries include Pakistan (received 62 million US\$), India (63.9 million US\$), around 38 million went to Nigeria.

Activities were mainly funded by the USA which provided 191 million US\$ or 34% of total funding.

For the CEECs/NIS, the greatest part of funds was allocated to business support services and institutions activities, which received 34% of totally allocated 219.5 million US\$.

Figure 11: Trade development technical assistance in CEEs/NIS Part II in 2001, 2002 and 2003 - US\$

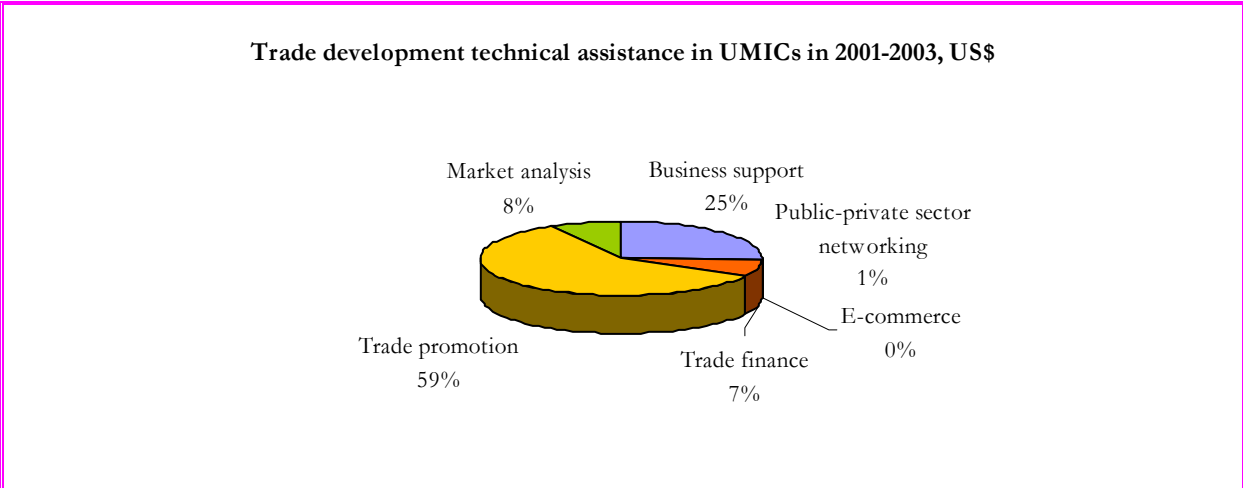


Main beneficiaries in CEEs/NIS were Russia (received 80.5 million US\$) and Ukraine (received 38.5 million US\$). Almost half of business support services assistance (the total budget was 77 million US\$) and market analyses assistance (out of the total of 56 million US\$) for CEEs/NIS went to Russia. Most of the assistance for Ukraine also went to business support services. Ukraine received 26.8 million US\$ in this category.

Main implementing agencies in 2001-2003 in CEEs/NIS were the USA (44% of total) and the EC (25% of total).

UMICs received 207.6 million and there were 670 activities carried out. Almost 60% of all trade development TRTA in UMICs went to trade promotion activities. Out of 122.4 million US\$ allocated for trade promotion in UMICs, Lebanon received 36 million US\$, Brazil and Chile each received around 22.5 million US\$. These three countries are biggest beneficiaries of trade promotion activities among UMICs.

Figure 12: Trade development technical assistance in UMICs in 2001, 2002 and 2003 - US\$



Overall the main beneficiaries in UMICs during the three year period were Lebanon (received 37 million US\$), Mexico (received 27 million US\$), Croatia (25 million US\$), Chile (27 million US\$), Brazil (30 million US\$).

The most active implementing agency was the EC (48% of total) and the USA (23% of total).

HICs received 17 million US\$ of trade development technical assistance in 2001-2003. All of it came from Japan for 2 projects in Bahrain. Bahrain in fact is the only country in the HICs group on the DDA database. Both projects were in the business support category and both of them were on training in Japan in business management.

MADTCs received 6.3 million US\$ during the three years. Out of those 2.5 million went to New Caledonia for market analyses TRTA, 1.6 million were received by Malta also mainly for market analyses and Cyprus which received 1.4 million US\$ on trade promotion activities. The other countries received small amount of assistance across business support, trade finance and market analyses categories. Almost 90% of funding (5.5 million US\$) came from the EC.

Sources of funding for trade development TRTA

As it was mentioned already before, not always the funding of activities in trade development assistance corresponds to the implementing agencies output. Therefore we provide a brief overview on the difference among those two.

Funding for trade development assistance activities from bilateral donors during 2001, 2002 and 2003 exceeded that of multilateral donors, constituting 60% of the value of total assistance in trade development (see the table below). Implementation was almost at the same level – bilateral agencies implemented 59% of all trade development projects. Almost all countries which funded trade development activities also implemented them. The exception is Ireland, Korea and Luxemburg. They were funding activities, but not actually implementing them. The sum of their funding provided during the three years was 629.000 US\$ - not too significant comparing to the total bilateral funding. The only country, which did not provide funding, but implemented trade development activities was South Africa (903.000 US\$). Those countries, who were leaders in implementation that we analysed in previous chapters, are also leaders in terms of providing funds for the activities. Among them there are the following countries:

- USA provided 30% of total funding (including the multilateral funding) and implemented 30% of all projects in 2001-2003. More specifically the USA provided 83% of world's total funding for e-commerce activities, one third of total funding for networking activities, covered almost 40% of trade promotion budget, provided one fourth of total funding for trade finance and 42% of all trade promotion funds. Most of its funds the USA channelled into trade promotion activities (488 million US\$);
- Germany and France both provided around 5% of funding as well as implementation of all trade development activities in 2001-2003. Germany was very active in public-private networking category providing 39% of the budget for the category. However the biggest contribution by Germany was in trade finance (over 122 million US\$). France donated 122 million US\$ to trade promotion showing its priorities. In relative terms as well France's contribution was the biggest in trade promotion – 10% of total category's budget.
- Switzerland has provided 4% of world's total funding for trade development and implemented 4% of all activities. Swiss funding went mainly to trade finance (9% of total funding for trade finance category).
- United Kingdom provided 3% of funding and implementation with emphasis on business support activities.

The multilateral donors have more differences in implementation and funding figures than bilateral donors. First of all there are 6 agencies that are funding activities, but not implementing

them. The total funding that they provided in 2001-2003 constitutes 3.5 million US\$. This funding was mainly spent on trade promotion and market analyses activities.

There are also some three agencies that show up as implementing agencies only and one of them is the ITC. The other two are the EBRD and ECA.

Among multilateral agencies the ones allocating biggest funds for trade development are:

- The EC – funded 31% of all trade development activities and implemented 29%. Most of the EC's funding was allocated to business support services (594 million US\$ or half of the category's total budget). The EC was also active in trade finance and trade promotion where it provided roughly one fourth of the total budget for each category. The EC's share was comparatively high in market analyses category as well – the EC provided over 20% of the category's budget.
- Another agency that provided 7% of both total project funding and implementation was IDA. IDA was mostly operating in trade finance providing 11% of funding for this category, but IDA was also working in other trade development categories.

The number of activities under bilateral funding surpassed those of the multilateral ones by almost 13 times, with 6,830 activities funded bilaterally. Japan alone funded 2,217 activities. That makes Japan the leader in terms of number of trade development activities funded in 2001-2003. Close to Japan is only the USA with 1,799 activities funded during the same period of time. The EC funded only 153 activities. When looking at the implementation side of trade development activities, the numbers are slightly different. It turns out that multilateral agencies implemented 1,433 activities and out of those, the ITC implemented 843 activities. Nevertheless Japan still remains a leader with nearly 2,200 activities implemented.

Table 9: Trade development TRTA/CB by funding and implementation in 2001, 2002 and 2003 – US\$ thousand

Country/Agency	Category	% of Total(Category)	A- Business support services and institutions	B- Public-private sector networking	C- E-commerce	D- Trade finance	E- Trade promotion strategy and implementation	F- Market analysis and development
TOTAL	\$ 4 434 332	100 %	\$ 1 199 895	\$ 81 210	\$ 69 710	\$ 1 082 436	\$ 1 238 110	\$ 762 971
Bilateral funding	\$ 2 679 961	60 %	\$ 506 384	\$ 78 825	\$ 64 551	\$ 654 970	\$ 862 787	\$ 512 443
Bilateral implementation	\$ 2 603 809	59 %	\$ 465 501	\$ 74 418	\$ 60 383	\$ 648 501	\$ 848 947	\$ 506 060
Australia funding	\$ 16 757	0 %	\$ 11 832	\$ 1 341	\$ 0	\$ 657	\$ 1 846	\$ 1 080
Australia implementation	\$ 16 757	0 %	\$ 11 832	\$ 1 341	\$ 0	\$ 657	\$ 1 846	\$ 1 080
Austria funding	\$ 1 430	0 %	\$ 328		\$ 789		\$ 193	\$ 121
Austria implementation	\$ 54	0 %					\$ 39	\$ 15
Belgium funding	\$ 72 314	2 %	\$ 106		\$ 237	\$ 42 026	\$ 27 029	\$ 2 916
Belgium implementation	\$ 72 051	2 %	\$ 106			\$ 42 026	\$ 27 029	\$ 2 890
Canada funding	\$ 92 200	2 %	\$ 20 928	\$ 539	\$ 373	\$ 14 657	\$ 14 488	\$ 41 215
Canada implementation	\$ 91 348	2 %	\$ 20 102	\$ 539	\$ 373	\$ 14 657	\$ 14 461	\$ 41 215
Czech Republic funding	\$ 428	0 %	\$ 39		\$ 105		\$ 283	
Czech Republic implementation	\$ 428	0 %	\$ 39		\$ 105		\$ 283	
Denmark funding	\$ 52 944	1 %	\$ 22 880		\$ 269	\$ 11 584	\$ 11 986	\$ 6 226
Denmark implementation	\$ 50 973	1 %	\$ 22 371		\$ 269	\$ 11 584	\$ 11 151	\$ 5 599
Finland funding	\$ 13 523	0 %	\$ 2 222	\$ 1 246		\$ 236	\$ 7 934	\$ 1 885
Finland implementation	\$ 13 523	0 %	\$ 2 222	\$ 1 246		\$ 236	\$ 7 934	\$ 1 885
France funding	\$ 204 102	5 %	\$ 15 949	\$ 807	\$ 2	\$ 57 488	\$ 122 621	\$ 7 235
France implementation	\$ 207 426	5 %	\$ 14 097	\$ 807	\$ 2	\$ 57 488	\$ 122 010	\$ 13 022
Germany funding	\$ 228 111	5 %	\$ 28 312	\$ 31 378		\$ 122 326	\$ 32 443	\$ 13 651
Germany implementation	\$ 226 486	5 %	\$ 27 049	\$ 31 378		\$ 122 326	\$ 32 346	\$ 13 387
Greece funding	\$ 67	0 %	\$ 8				\$ 59	
Greece implementation	\$ 59	0 %					\$ 59	
Iceland funding	\$ 1 570	0 %					\$ 1 170	\$ 400
Iceland implementation	\$ 1 570	0 %					\$ 1 170	\$ 400
Ireland funding	\$ 196	0 %	\$ 196					
Italy funding	\$ 11 940	0 %	\$ 2 396			\$ 572	\$ 7 968	\$ 1 005
Italy implementation	\$ 4 889	0 %	\$ 101				\$ 4 499	\$ 289
Japan funding	\$ 104 600	2 %	\$ 46 598		\$ 309	\$ 15 509	\$ 3 595	\$ 38 588
Japan implementation	\$ 105 330	2 %	\$ 46 496			\$ 15 509	\$ 3 987	\$ 39 337
Korea funding	\$ 146	0 %	\$ 80					\$ 66
Luxembourg funding	\$ 286	0 %					\$ 286	
Multiple donors funding	\$ 37 042	1 %	\$ 22 462	\$ 3 887	\$ 2 216	\$ 283	\$ 3 350	\$ 4 844
Netherlands funding	\$ 103 853	2 %	\$ 36 029	\$ 90		\$ 1 236	\$ 46 599	\$ 19 899
Netherlands implementation	\$ 96 852	2 %	\$ 33 416	\$ 90		\$ 1 236	\$ 45 222	\$ 16 888
New Zealand funding	\$ 19 811	0 %	\$ 4 687			\$ 678	\$ 12 447	\$ 1 999
New Zealand implementation	\$ 19 811	0 %	\$ 4 687			\$ 678	\$ 12 447	\$ 1 999
Norway funding	\$ 41 421	1 %	\$ 1 405	\$ 20	\$ 285	\$ 5 252	\$ 31 950	\$ 2 508

Country/Agency	Category	% of Total (Category)	A- Business support services and institutions	B- Public-private sector networking	C- E-commerce	D- Trade finance	E- Trade promotion strategy and implementation	F- Market analysis and development
Norway implementation	\$ 40 519	1 %	\$ 731	\$ 20	\$ 285	\$ 5 233	\$ 31 923	\$ 2 327
Portugal funding	\$ 18 142	0 %	\$ 1 008	\$ 10			\$ 15 615	\$ 1 509
Portugal implementation	\$ 17 831	0 %	\$ 698	\$ 10			\$ 15 615	\$ 1 509
South Africa implementation	\$ 903	0 %					\$ 903	
Spain funding	\$ 4 406	0 %	\$ 221			\$ 38	\$ 1 431	\$ 2 715
Spain implementation	\$ 4 052	0 %				\$ 38	\$ 1 365	\$ 2 648
Sweden funding	\$ 15 104	0 %	\$ 2 419	\$ 191			\$ 7 019	\$ 5 475
Sweden implementation	\$ 14 002	0 %	\$ 1 702	\$ 191			\$ 7 019	\$ 5 091
Switzerland funding	\$ 182 170	4 %	\$ 25 706	\$ 2 177	\$ 1 884	\$ 97 467	\$ 20 798	\$ 34 137
Switzerland implementation	\$ 163 780	4 %	\$ 19 926	\$ 1 657	\$ 1 267	\$ 91 871	\$ 16 489	\$ 32 569
Thailand funding	\$ 181	0 %			\$ 0			\$ 181
Thailand implementation	\$ 181	0 %			\$ 0			\$ 181
United Kingdom funding	\$ 123 823	3 %	\$ 72 693	\$ 8 800		\$ 33 651	\$ 3 298	\$ 5 381
United Kingdom implementation	\$ 121 861	3 %	\$ 72 317	\$ 8 800		\$ 33 651	\$ 2 772	\$ 4 321
United States funding	\$ 1 333 395	30 %	\$ 187 879	\$ 28 337	\$ 58 083	\$ 251 311	\$ 488 377	\$ 319 408
United States implementation	\$ 1 333 124	30 %	\$ 187 608	\$ 28 337	\$ 58 083	\$ 251 311	\$ 488 377	\$ 319 408
Multilateral funding	\$ 1 754 371	40 %	\$ 693 511	\$ 2 385	\$ 5 159	\$ 427 465	\$ 375 322	\$ 250 528
Multilateral implementation	\$ 1 830 522	41 %	\$ 734 394	\$ 6 793	\$ 9 327	\$ 433 934	\$ 389 163	\$ 256 911
AIF funding	\$ 296	0 %	\$ 296					
AsDB funding	\$ 2 180	0 %	\$ 210				\$ 1 220	\$ 750
AsDB implementation	\$ 830	0 %	\$ 210				\$ 620	
BADEA funding	\$ 36	0 %	\$ 36					
CFC funding	\$ 1 690	0 %			\$ 30		\$ 963	\$ 697
EBRD implementation	\$ 5 596	0 %				\$ 5 596		
EC funding	\$ 1 392 198	31 %	\$ 594 489	\$ 90	\$ 4 486	\$ 311 265	\$ 324 979	\$ 156 888
EC implementation	\$ 1 287 077	29 %	\$ 594 489	\$ 90	\$ 4 486	\$ 228 988	\$ 324 938	\$ 134 085
ECA implementation	\$ 120	0 %		\$ 120				
ECO funding	\$ 43	0 %	\$ 43					
EIB implementation	\$ 99 292	2 %				\$ 82 276		\$ 17 016
ESCAP funding	\$ 15	0 %			\$ 15			
ESCAP implementation	\$ 432	0 %			\$ 324	\$ 108		
ESCWA funding	\$ 0	0 %	\$ 0					
ESCWA implementation	\$ 0	0 %	\$ 0					
FAO funding	\$ 18 272	0 %					\$ 5 097	\$ 13 175
FAO implementation	\$ 24 081	1 %					\$ 5 508	\$ 18 573
GEF funding	\$ 593	0 %					\$ 198	\$ 395
IBRD funding	\$ 358	0 %	\$ 338			\$ 19		
IBRD implementation	\$ 338	0 %	\$ 338					
IDA funding	\$ 325 529	7 %	\$ 92 456	\$ 1 495		\$ 116 024	\$ 38 756	\$ 76 798

Country/Agency	Category	% of Total(Category)	A- Business support services and institutions	B- Public-private sector networking	C- E-commerce	D- Trade finance	E- Trade promotion strategy and implementation	F- Market analysis and development
IDA implementation	\$ 324 887	7 %	\$ 91 964	\$ 1 495		\$ 116 024	\$ 38 606	\$ 76 798
ITC implementation	\$ 56 766	1 %	\$ 35 543	\$ 4 407	\$ 2 319	\$ 942	\$ 6 331	\$ 7 225
ITTO funding	\$ 119	0 %						\$ 119
Isl.Dev Bank funding	\$ 58	0 %	\$ 58					
OECD funding	\$ 0	0 %		\$ 0	\$ 0		\$ 0	
OECD implementation	\$ 568	0 %	\$ 328	\$ 0	\$ 0		\$ 0	\$ 240
UN Development Account funding	\$ 708	0 %		\$ 600		\$ 108		
UNCTAD funding	\$ 8	0 %	\$ 8					
UNCTAD implementation	\$ 8 129	0 %	\$ 5 644		\$ 462		\$ 1 910	\$ 113
UNDP funding	\$ 6 252	0 %	\$ 2 529	\$ 200	\$ 204		\$ 2 611	\$ 709
UNDP implementation	\$ 4 321	0 %	\$ 2 444		\$ 148		\$ 1 229	\$ 500
UNECE funding	\$ 0	0 %	\$ 0	\$ 0				\$ 0
UNECE implementation	\$ 1 196	0 %	\$ 0	\$ 600	\$ 446		\$ 150	\$ 0
UNEP funding	\$ 23	0 %						\$ 23
UNIDO funding	\$ 5 896	0 %	\$ 3 049		\$ 424	\$ 49	\$ 1 498	\$ 876
UNIDO implementation	\$ 16 888	0 %	\$ 3 434	\$ 80	\$ 1 142		\$ 9 871	\$ 2 361
WHO funding	\$ 97	0 %						\$ 97

This section has provided a brief overview of the Trade Development component of Trade Related Technical Assistance (TRTA),

The next section analyses in some detail the respective roles main multilateral implementing agencies in trade development TRTA.

1.5 Role of International Organisations and Multilateral Development Banks in Trade Development

During the period 2001-2003, multilateral agencies carried out activities worth 1.83 billion US\$. That represents 40% of total trade development assistance carried out during that period. The remaining 60% was implemented by bilateral agencies. Multilateral organisations carried out 1,433 activities, while bilateral agencies were involved in 5,943 activities.

Based on information available in the Doha Development Agenda Trade Capacity Building Database on technical assistance, the following organisations operate in the trade development category of TRTA/CB:

- Asian Development Bank (AsDB)
- European Bank for Reconstruction and Development (EBRD)
- European Commission (EC)
- United Nations Economic Commission for Africa (ECA)
- European Investment Bank (EIB)
- Food and Agriculture Organisation (FAO)
- International Bank for Reconstruction and Development (IBRD)
- International Development Agency (IDA)
- International Trade Centre (ITC)
- Organisation of Economic Co-operation and Development (OECD)
- United Nations Conference for Trade and Development (UNCTAD)
- United Nations Development Programme (UNDP)
- United Nations Economic and Social Commission for Asia and Pacific (UNESCAP)
- United Nations Economic Commission for Europe (UNECE)
- United Nations Economic Commission for Western Asia (UNESCWA)
- United Nations Industrial Development Organisation (UNIDO)

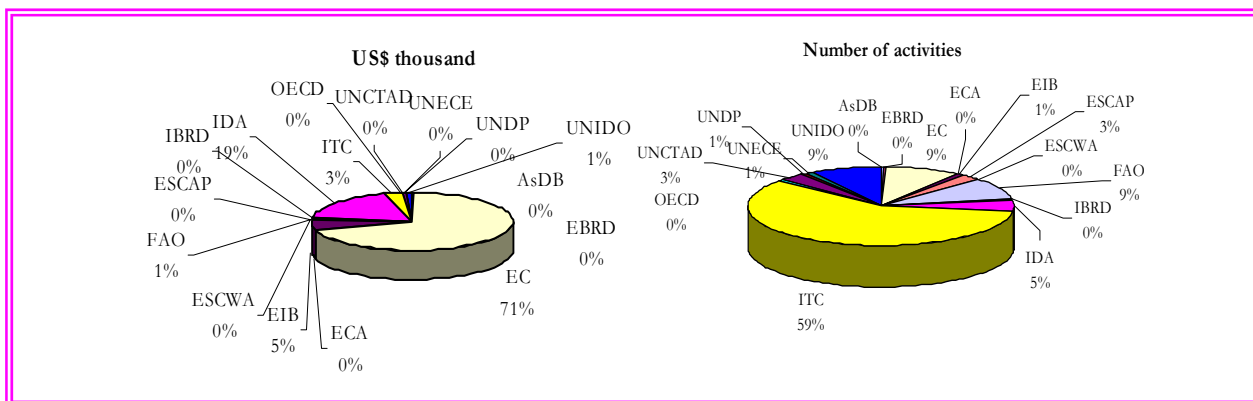
The data available in this database is for the years 2001, 2002 and for 2003. Certain organisations such as the OECD and UNESWA only indicated the number of activities without showing the amount spent. We have collected the data on projects and developed two tables, one of which shows the value and number of projects for each organisation throughout the time frame.

As is seen from figures below, ITC was an absolute leader in trade development technical assistance in terms of the number of activities carried out during 2001 – 2003. Of a total of 7,376 activities implemented both by multilateral and bilateral agencies, ITC carried out 11,3% or 843 activities and this constituted almost 60% of all multilateral activities in 2001-2003.

As far as the value of activities is concerned, the leader was the European Commission (29% of all trade development assistance implemented in 2001-2003 and 71% of all multilateral activities). Over the three years, the EC carried out trade development projects worth 1.28 billion US\$. ITC is the only organisation that provided technical assistance under all six subcategories of trade development. The EC and UNIDO covered most subcategories, but not networking activities for EC and trade finance and e-commerce for UNIDO. In 2001, ITC alone (apart from bilateral

agencies) provided technical assistance for public-private networking – World Trade Nets, Executive Forum, International Trade Forum etc.

Figure 13: Value and number of activities implemented by multilateral agencies in 2001-2003



In terms of value, the business support services and institutions subcategory is the one with the highest total budget of multilaterally implemented projects; the total for all organisations was 734 million US\$, i.e. 40% of all activities implemented by multilateral agencies in the period 2001-2003. In fact multilateral agencies implemented over 60% of business support services during that period. Among them, the EC was the most productive, carrying out 49,5% of all business support activities. However there was a tendency for business support activities to decrease slowly over the three years (see figure below).

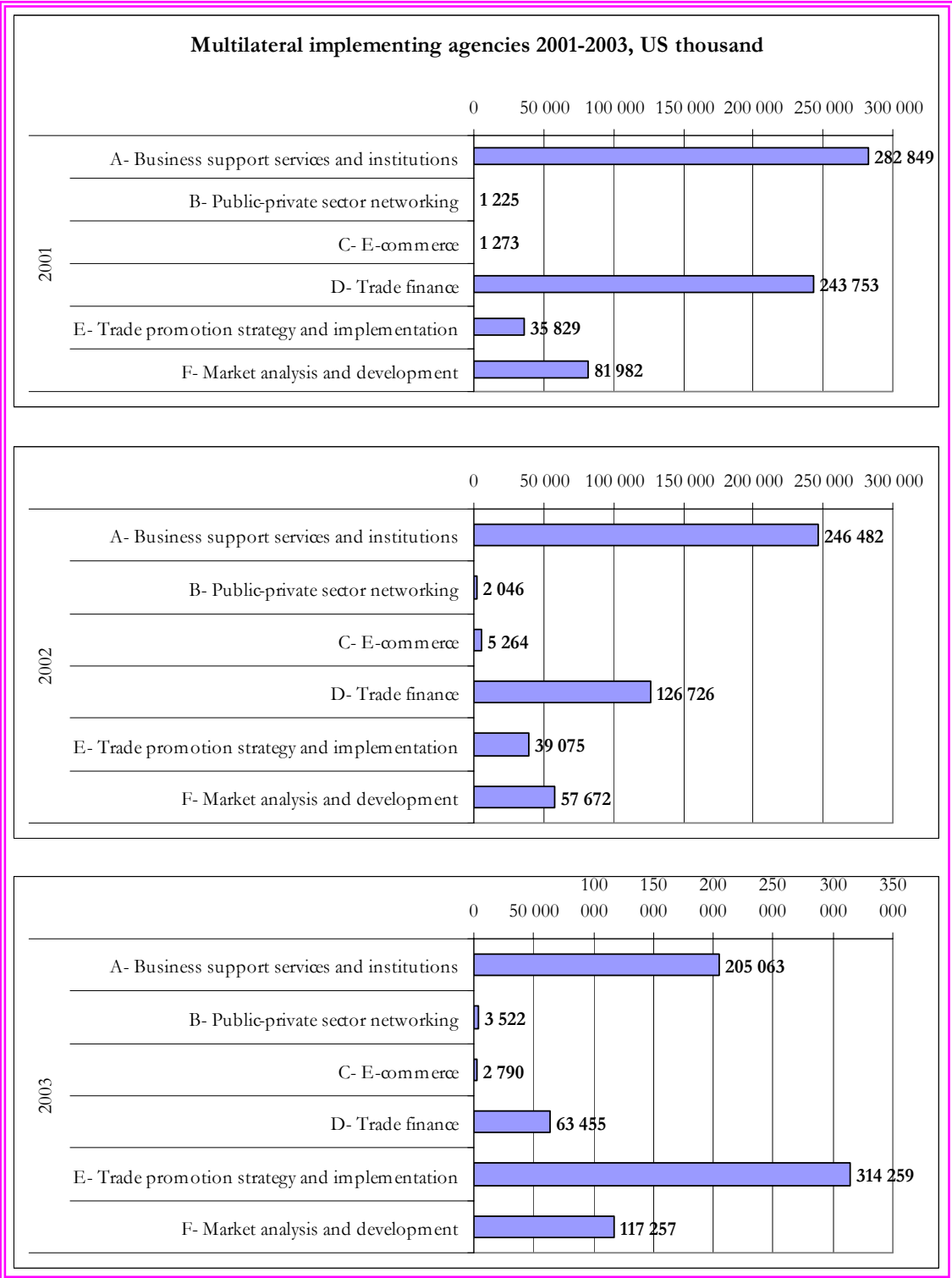
The second category where multilateral agencies spent most was in trade finance, with 433.9 million US\$ (around 40% of the total). It is seen that 21% of that amount came from the EC projects. As in business support activities, there was also a decrease in budgeting for multilateral agencies' activities in trade finance; in 2003, activities had decreased by -74% compared to 2001.

The 389 million US\$ for multilateral trade promotion activities in 2001-2003 came mainly from the EC, which implemented over 83% of the total of multilaterally implemented projects in trade promotion. Overall, multilateral agencies carried 30% of trade promotion projects in 2001-2003 with the rest being done by bilateral agencies.

The EC also covered 18% of the total for market analysis and development activities. The total spending under this category for all multilateral organisations was 256 million US\$ during the three years. The overall share of market analysis activities in trade development assistance constituted 17,2% in 2001-2003. Multilateral assistance fluctuated; in 2003 it increased twofold, compared with 2002. However, bilateral projects growth in assistance was relatively stable with annual increases in allocations.

Multilateral projects in public-private sector networking were worth 6.7 million US\$ during the three years. The highest spender here was the ITC with 5% (4.4 million US\$) of the total budget, including bilateral agencies. Networking activities received only a small share in overall trade development assistance, just 1,8% of the total assistance provided.

Figure 14: Value of trade development activities carried out by multilateral agencies in 2001-2003, US\$ thousand



E-commerce, like networking, held a relatively small category with only 1,5% of total trade development assistance or 69.7 million US\$ over three years. Most (87%) of budgeting was by bilateral agencies. Multilateral projects were worth 9.32 million US\$. Of that amount, more than half was provided by the EC.

In terms of average spending for one project by the organisations, the leader was the EIB with 9.9 million US\$ spent on average for each project in 2001-2003. Next came the EC (9.6 million

US\$ per project on average). ITC spent an annual average of 67,000 US\$ for each project (see below).

Figure 15: The average spending for one project by multilateral agencies, 2001, 2002 and 2003, US\$ thousand

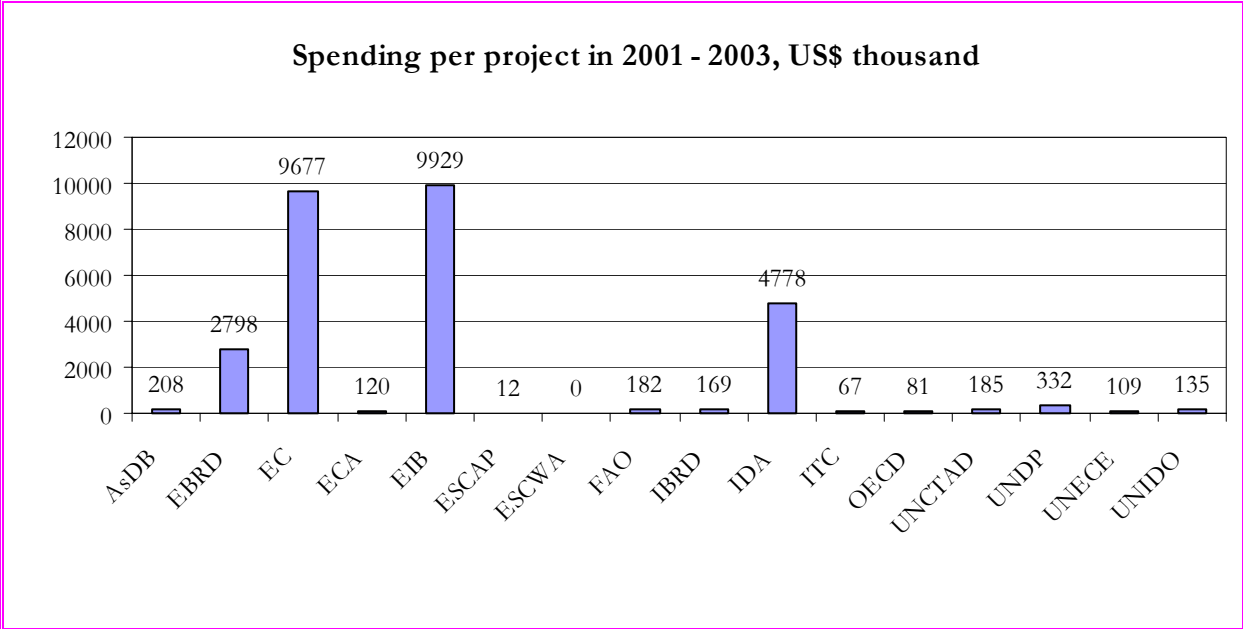


Table 10: TRTA/CB in trade development category by implementing agencies in 2001, 2002, 2003

Category		TOTAL	% of Total	Total Multilateral	AsDB	EBRD	EC	ECA	EIB	ESCAP	ESCWA	FAO	IBRD	IDA	ITC	OECD	UNCTAD	UNDP	UNECE	UNIDO
TOTAL	Amount (US\$ thousands)	\$ 4 434 332	100	\$1 830 522	\$ 830	\$ 5 596	\$1 287 077	\$120	\$ 99 292	\$ 432	\$ 0	\$ 24 081	\$338	\$324 887	\$56 766	\$568	\$ 8 129	\$4 321	\$1 196	\$16 888
	% of Total	100 %	0	41 %	0 %	0 %	29 %	0 %	2 %	0 %	0 %	1 %	0 %	7 %	1 %	0 %	0 %	0 %	0 %	0 %
	Number of records	7 376	0	1 433	4	2	133	1	10	37	1	132	2	68	843	7	44	13	11	125
A- Business support services and institutions	Amount (US\$ thousands)	\$1 199 895	27	\$734 394	\$ 210		\$594 489				\$ 0		\$ 338	\$ 91 964	\$35 543	\$328	\$5 644	\$2 444	\$ 0	\$ 3 434
	% of Total	100 %	0	61 %	0 %		50 %				0 %		0 %	8 %	3 %	0 %	0 %	0 %	0 %	0 %
	Number of records	2 458	0	679	2		63				1		2	33	509	1	31	6	4	27
B- Public-private sector networking	Amount (US\$ thousands)	\$ 81 210	2	\$ 6 793			\$ 90	\$ 120						\$ 1 495	\$ 4 407	\$ 0			\$ 600	\$ 80
	% of Total	100 %	0	8 %			0 %	0 %						2 %	5 %	0 %			1 %	0 %
	Number of records	163	0	35			1	1						1	26	2			3	1

SURVEY OF TRADE RELATED
TECHNICAL ASSISTANCE

INTERNATIONAL ORGANISATIONS AND
MULTILATERAL DEVELOPMENT BANKS

Category		TOTAL	% of Total	Total Multilateral	AsDB	EBRD	EC	ECA	EIB	ESCAP	ESCWA	FAO	IBRD	IDA	ITC	OECD	UNCTAD	UNDP	UNECE	UNIDO
C- E-commerce	Amount (US\$ thousands)	\$ 69 710	2	\$ 9 327			\$ 4 486			\$ 324					\$ 2 319	\$ 0	\$ 462	\$ 148	\$ 446	\$ 1 142
	% of Total	100 %	0	13 %			6 %			0 %					3 %	0 %	1 %	0 %	1 %	2 %
	Number of records	262	0	100			2			28					54	2	4	2	1	7
D- Trade finance	Amount (US\$ thousands)	\$1 082 436	24	\$ 433 934		\$ 5 596	\$228 988		\$ 82 276	\$ 108				\$ 116 024	\$ 942					
	% of Total	100 %	0	40 %		1 %	21 %		8 %	0 %				11 %	0 %					
	Number of records	1 051	0	78		2	15		9	9				12	31					
on strategy	Amount (US\$ thousands)	\$1 238 110	28	\$ 389 163	\$ 620		\$324 938					\$ 5 508		\$ 38 606	\$ 6 331	\$ 0	\$ 1 910	\$ 1 229	\$ 150	\$ 9 871

SURVEY OF TRADE RELATED
TECHNICAL ASSISTANCE

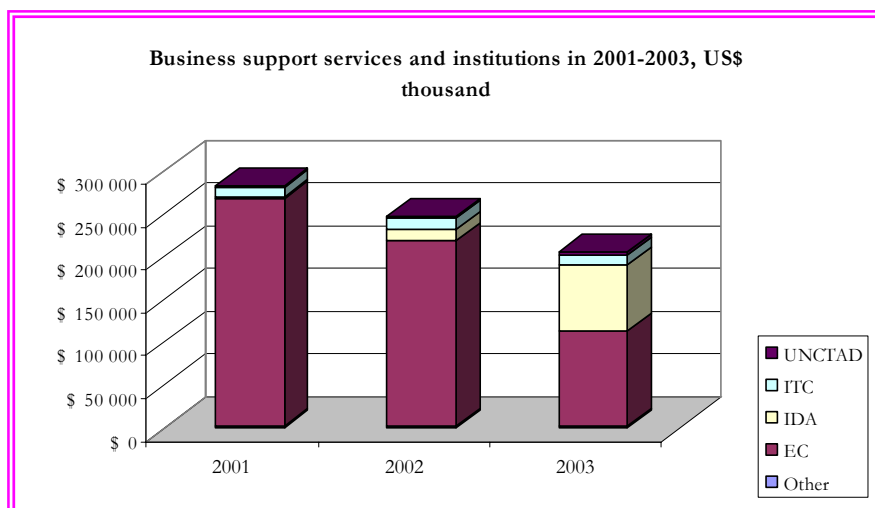
INTERNATIONAL ORGANISATIONS AND
MULTILATERAL DEVELOPMENT BANKS

Category		TOTAL	% of Total	Total Multilateral	AsDB	EBRD	EC	ECA	EIB	ESCAP	ESCWA	FAO	IBRD	IDA	ITC	OECD	UNCTAD	UNDP	UNECE	UNIDO
	% of Total	100 %	0	31 %	0 %		26 %					0 %		3 %	1 %	0 %	0 %	0 %	0 %	1 %
	Number of records	1 641	0	248	2		36					32		21	84	1	7	4	1	60

Category		TOTAL	% of Total	Total Multilateral	AsDB	EBRD	EC	ECA	EIB	ESCAP	ESCWA	FAO	IBRD	IDA	ITC	OECD	UNCTAD	UNDP	UNECE	UNIDO
F- Market analysis and development	Amount (US\$ thousands)	\$ 762 971	17	\$ 256 911			\$ 134 085		\$ 17 016			\$ 18 573		\$ 76 798	\$ 7 225	\$ 240	\$ 113	\$ 500	\$ 0	\$ 2 361
	% of Total	100 %	0	34 %			18 %		2 %			2 %		10 %	1 %	0 %	0 %	0 %	0 %	0 %
	Number of records	1 801	0	293			16		1			100		1	139	1	2	1	2	30

Business support services and institutions

Figure 16: Business support services and institutions by multilateral agencies, 2001, 2002 and 2003, US\$ thousand



Business support activities received 734 million US\$ in 2001-2003 for 679 activities. Over half (61%) of all business support activities were of multilateral origin. The main agencies implementing their projects in business support were the EC, IDA and ITC.

ITC, like the EC, UNDP and UNCTAD, channels

most of its assistance into business support services and institutions. During 2001-2003, ITC carried out 509 activities, over 60% of ITC's total activities (the total number of ITC's activities in trade development was 843). They were worth 35.5 million US\$ and constituted roughly 3% of total multilateral and bilateral activities in business support.

The EC implemented around half of the business support activities in 2001-2003 and spent 594 million US\$. IDA, with 33 activities in business support services and institutions, was the second most active agency while IDA implemented around 8% of the total in this category, spending 91.9 million US\$.

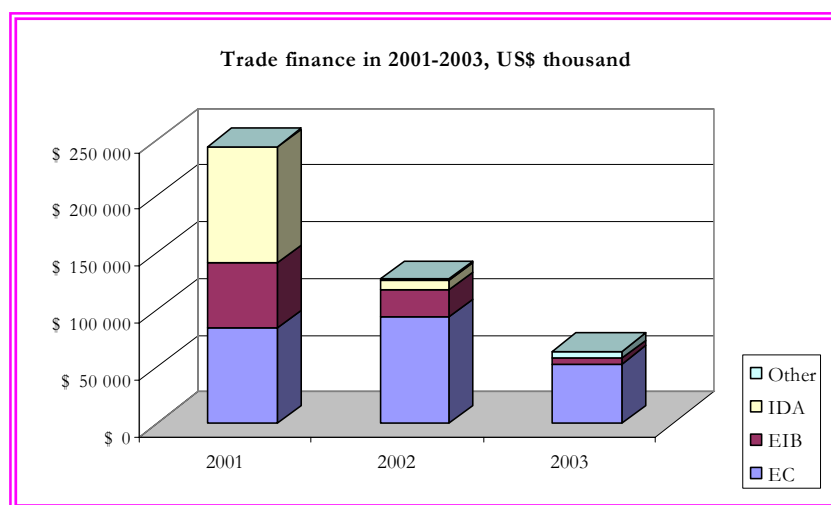
The largest projects were:

- By the EC: 98.5 million US\$ in Gambia in 2001, with PROINVEST (the EU-ACP Partnership Programme for the Promotion of Investment & Technology Flows to the ACP Countries) and 62.6 million US\$ in 2001, with the Integrated development programme for the Caribbean rum industry for West Indies Unallocated (America).
- And by IDA: 28 million US\$ in 2003, for Enhancing Competitiveness: Trade Facilitation and Productivity Improvement Project – a loan for Honduras.

ITC carried out numerous comparatively small projects under JITAP, export-led poverty reduction, different program development activities, different support to MTS, formulation programmes and country/region specific activities etc. As mentioned above, ITC carried out 509 activities during 2001-2003

Trade finance

Figure 17: Trade finance by multilateral agencies, 2001, 2002 and 2003, US\$ thousand



Trade finance followed business support as the next activity where the multilateral agencies were most active. The total value of all activities in trade finance in 2001-2003 was 1 billion US\$ of which over 40% (433.9 million US\$) were implemented by multilateral agencies. The main players in this subcategory were the EC (21% of total in trade finance), IDA (11% of total) and EIB (8% of total).

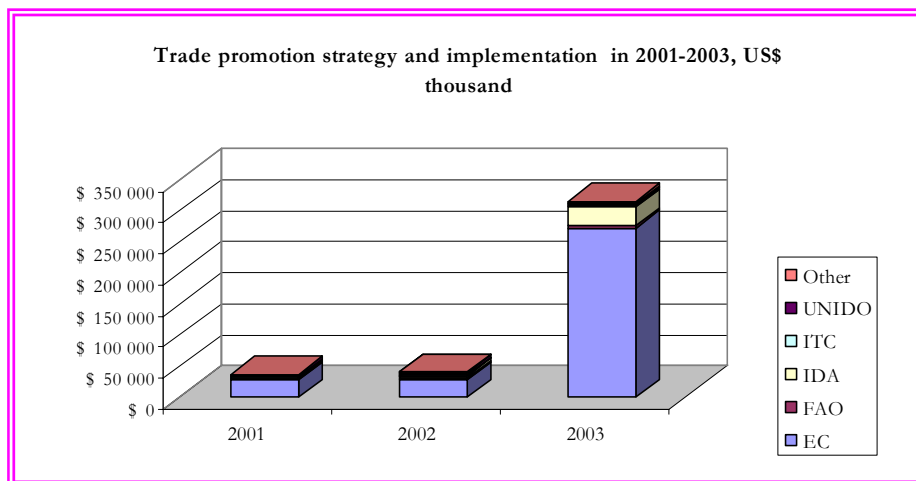
In terms of the number of activities carried out in trade finance, the ITC was more highly involved than any other organisation, with total of 31 activities at an expenditure of 942,000 US\$ compared to the EC which spent 228 million US\$ but carried out just 15 activities.

The largest projects were:

- By the EC: a 64 million loan for North of Sahara Africa for an EIB Risk Capital Facility in 2001 and a 47 million US\$ grant for Pakistan in 2002 to assist the Government of Pakistan in facing its economic and budgetary squeeze, through creating additional resources for the reinforcement of social sector development under the Government's Poverty Reduction Strategy Programme.
- By IDA: three 15 million US\$ loans for regional trade facilitation projects in Tanzania, Zambia and Malawi in 2001 and a 20 million US\$ loan for regional trade facilitation projects in Uganda and
- And by EIB: three 17.9 million US\$ loans; one for Ethiopia (for a credit line for SMEs), one for Jamaica (for financial sector operations) and one for Zambia (for a capital investment line project) in 2001. All were funded by the EC.

Trade promotion strategy and implementation

Figure 18: Trade promotion strategy and implementation by multilateral agencies, 2001, 2002 and 2003, US\$ thousand



389 million US\$ were spent on trade promotion and 248 activities were carried out in 2001-2003 by multilateral agencies. 31% of trade promotion was provided by multilateral agencies. The EC carried out 26% of total trade promotion activities and spent 324 million

US\$ (over 98% of all multilateral activities in trade promotion).

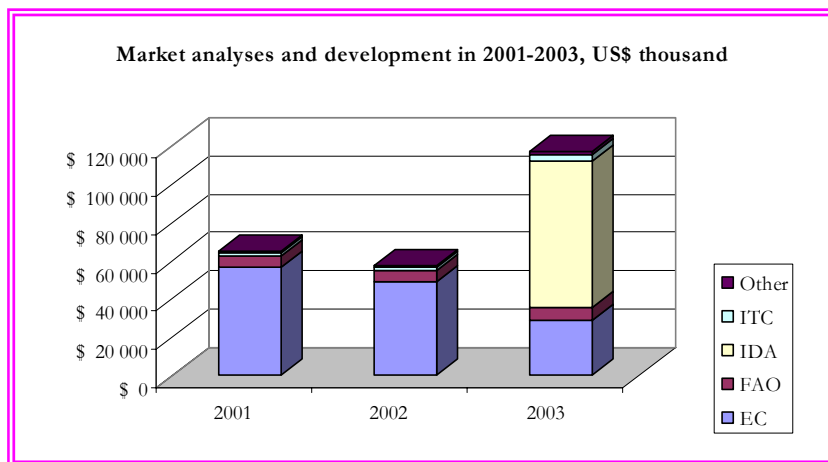
IDA spent 38.6 million US\$ (3% of total bilateral and multilateral) in 2001-2003 on trade promotion and 9.8 million US\$ on UNIDO (1% of total bilateral and multilateral). ITC led in the number of activities implemented, with 84 trade promotion activities over the three years.

The largest projects were:

- By the EC : a 24 million US\$ grant for a risk capital facility in 2003 in developing countries unspecified and a 22.5 million US\$ grant for private sector development programme in Jamaica in 2003.
- By IDA: mainly loans were for industry, agriculture, mineral resources and mining, services, tourism in Africa and Asia with only two (out of total of 21) projects in Europe;
- And by UNIDO: numerous comparatively small projects in Africa, Asia, America and Europe were supported. Almost all were in the industry sector.

Market analysis and development

Figure 19: Market analyses and development by multilateral agencies, 2001, 2002 and 2003, US\$ thousand



Multilateral agencies spent 256.9 million US\$ on market analysis technical assistance in 2001-2003 and this took 34% of the total budget for this category. The dominating multilateral agency in market analysis was the EC, which implemented projects worth 134 million US\$ for 16 activities.

The EC was followed by IDA, with 76.7 million US\$

spent but with only one activity implemented.

The FAO carried out projects worth 18.5 million US\$ (2% of the total market analysis budget in 2001-2003).

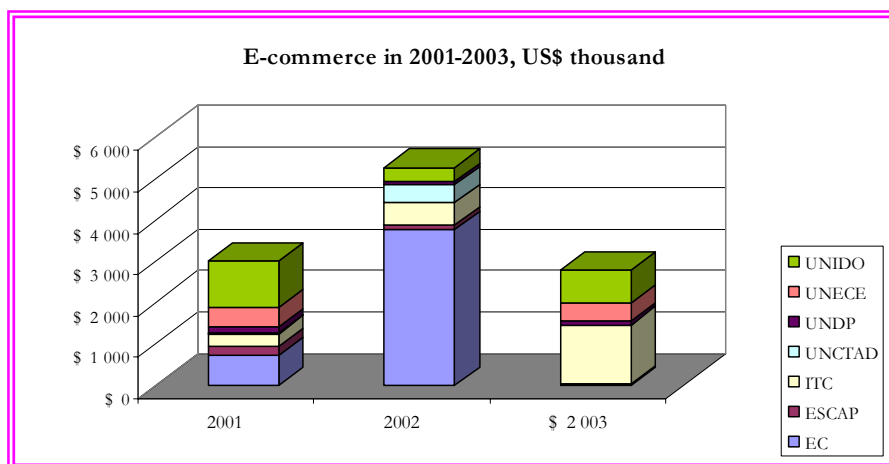
As with trade promotion, ITC was the most involved in market analysis in the number of activities, implementing 139 activities in 2001–2003 for a mere 1% of the total bilateral and multilateral budget for market analysis.

The largest projects were:

- By the EC :38,5 million US\$ in 2001 and 41.4 million US\$ in 2002 for the Special Framework of Assistance for Traditional ACP Suppliers of Bananas, in LDCs unspecified.
- By IDA: as mentioned before only one project was undertaken, with a loan of 76.7 million US\$ for the Southern African Power Market in 2003;
- And by FAO: FAO had many small projects in Asia, America and Africa, but in agriculture and fishing only.

E-commerce

Figure 20: E-commerce by multilateral agencies, 2001, 2002 and 2003, US\$ thousand



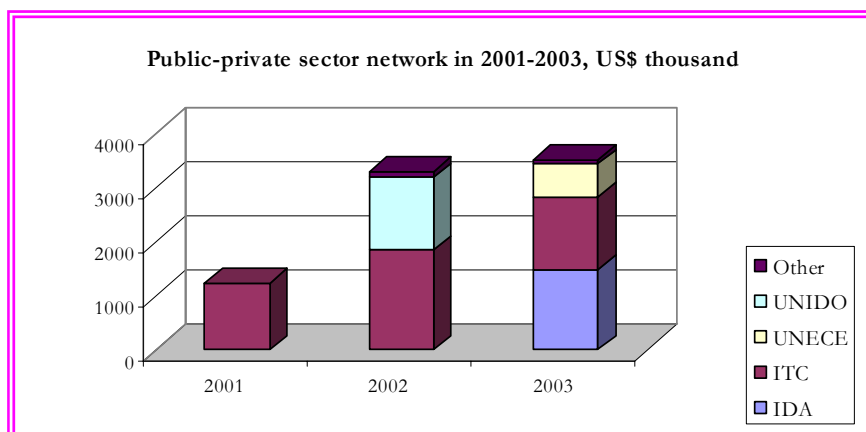
Out of total 67.9 million US\$ allocated to this category, multilateral agencies covered 13% or 9.3 million US\$ in 2001-2003. The senior player in e-commerce was the EC again, with 4.4 million US\$ and 2 activities implemented. However, the ITC implemented 54 e-commerce projects

worth 2.3 million US\$ (3% of the total funding in this category).

UNIDO had seven e-commerce projects for a total value of 1.1 million US\$.

Public-private sector networking

Figure 21: Public-private sector network by multilateral agencies, 2001, 2002 and 2003, US\$ thousand



Just 8% of all public-private sector networking projects were implemented by multilateral agencies. Among them, ITC was the leader with 4.4 million US\$ and 5 % of total for 26 networking projects. In this trade development sub-category ITC was the only active organisation, excepting a single project

by UNIDO in Morocco for the Ministry of Industry and three projects by UNECE (total value – 600 000 US\$) and another single project by IDA (1,4 million US\$).

1.6 Conclusions

This survey of TRTA provides an overview of the provision of TRTA according to different categories of TRTA, of sources of funding by donor, and of the allocation between bilateral and multilateral delivery of TRTA.

Over the period 2001 until 2003, TRTA for trade policy and regulation grew from \$660 million to \$984 million while funding for trade development rose from \$1.35 billion to \$ 1.7 billion. Technical assistance related to Standards including SPS and TBT, mainstreaming of trade policies and trade facilitation have been the fastest growing components within trade policy and regulation, while trade promotion strategy and implementation has been the fastest growing component in trade development. Within the category of assistance to trade development, support increased most significantly for trade promotion in the industrial and agricultural sectors and for market development in the industry and service sectors. Donors increased their funding to multilateral trust funds and programmes such as the Doha Development Agenda Trust Fund, the Integrated Framework and JITAP by 24% between 2002 and 2003.

Almost three fifths of TRTA has been provided by two donors, the European Commission and the United States. The European Commission is the largest contributor to trade policy and regulation and the EC/US contributions to trade development are roughly equivalent. Traditionally neither the EC nor the US provided much TRTA through multilateral channels, but this is changing in the case of the EC. The EC is committed to Aid Harmonization and Alignment agenda and is now providing TRTA through co-operation with multilateral agencies.

Focusing on trade development, which is the main area of operation of ITC, the \$20 million of trade development TRTA delivered annually by ITC amounts to a bit more than 1 percent of total trade development expenditure. However, for trade development delivered multilaterally the picture is somewhat different if some adjustments are made to the data in DDA data base. Out of \$1.8 billion of trade development TRTA committed multilaterally during 2001-2003, the EC, the World Bank (IDA), and the European Investment Bank (EIB) deliver \$1.7 billion. The ITC delivered about 50 percent of the total trade development TRTA by the remaining multilateral agencies followed by FAO with about 20 percent and UNIDO with about 10 percent.

ANNEX: Geographical Distribution of Trade Development Technical Assistance

The largest share of funding for trade development went to Africa – around 35% every year from 2001 to 2003. Each year Africa received more multilateral and bilateral funding than any other recipient. However, while in 2001 almost half of multilateral funding went to Africa, in 2002 and 2003 its share had decreased to 36% and 38% of total multilateral funding. However, bilateral funding for Africa increased during 2002 and 2003.

Asia was the second largest recipient with a share of around 20% in 2001 and 2003 and a peak in 2002 when it received 29% of total funding. Funding for the Americas, the third recipient in terms of a share of total funding, increased significantly in 2003, almost doubling from an average of 11% in the previous two years. This can be explained by the sharp increase in multilateral funding for America in 2003, from just 8% of total multilateral funding in 2002 to 31% in 2003 thanks to the loan from IDA for North and Central America and an increase in funding from the EC.

Table 11: Trade development funding by recipient countries and type of funding in 2001, 2002 and 2003 – US\$ thousand

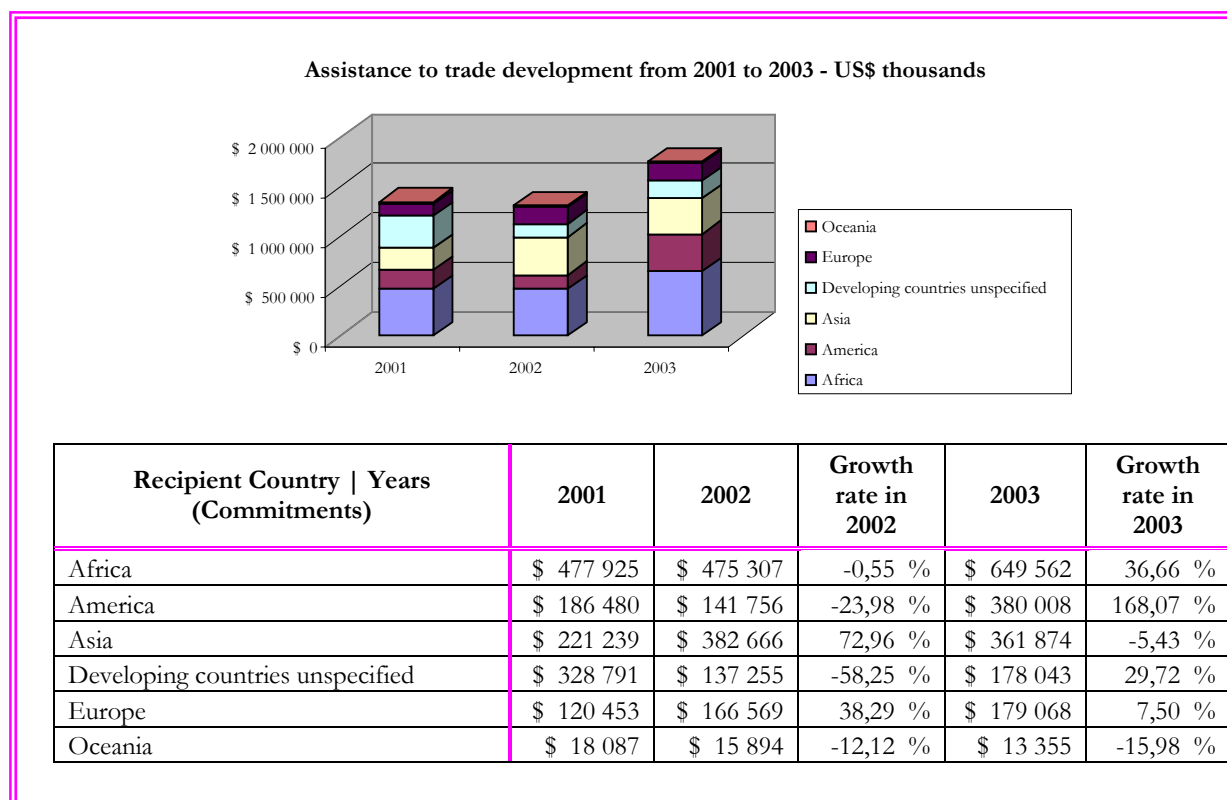
Recipient Country Funding Country/Agency	Funding Ctry/ Agency	% of Total(Funding Ctry/Agency)	Bilateral	% of Total(Bilateral)	Multilateral	% of Total(Multilateral)
Years (Commitments)-2001						
TOTAL	\$ 1 352 975	100,00%	\$ 728 394	100,00%	\$ 624 581	100,00%
Africa	\$ 477 925	35,67%	\$ 171 373	23,53%	\$ 306 552	49,08%
America	\$ 186 480	12,28%	\$ 75 187	10,32%	\$ 111 293	17,82%
Asia	\$ 221 239	22,60%	\$ 206 191	28,31%	\$ 15 048	2,41%
Developing countries unspecified	\$ 328 791	17,44%	\$ 169 563	23,28%	\$ 159 228	25,49%
Europe	\$ 120 453	10,74%	\$ 100 441	13,79%	\$ 20 013	3,20%
Oceania	\$ 18 087	1,27%	\$ 5 638	0,77%	\$ 12 449	1,99%
Years (Commitments)-2002						
TOTAL	\$ 1 319 447	100,00 %	\$ 861 354	100,00 %	\$ 458 093	100,00 %
Africa	\$ 475 307	36,02 %	\$ 308 839	35,86 %	\$ 166 469	36,34 %
America	\$ 141 756	10,74 %	\$ 105 034	12,19 %	\$ 36 722	8,02 %
Asia	\$ 382 666	29,00 %	\$ 250 963	29,14 %	\$ 131 703	28,75 %
Developing countries unspecified	\$ 137 255	10,40 %	\$ 81 752	9,49 %	\$ 55 503	12,12 %
Europe	\$ 166 569	12,62 %	\$ 106 970	12,42 %	\$ 59 599	13,01 %
Oceania	\$ 15 894	1,20 %	\$ 7 798	0,91 %	\$ 8 096	1,77 %
Years (Commitments)-2003						
TOTAL	\$ 1 761 910	100,00 %	\$ 1 090 213	100,00%	\$ 671 696	100,00%
Africa	\$ 649 562	36,87 %	\$ 394 047	36,14%	\$ 255 515	38,04%
America	\$ 380 008	21,57 %	\$ 166 029	15,23%	\$ 213 980	31,86%
Asia	\$ 361 874	20,54 %	\$ 297 221	27,26%	\$ 64 653	9,63%
Developing countries unspecified	\$ 178 043	10,11 %	\$ 114 325	10,49%	\$ 63 718	9,49%
Europe	\$ 179 068	10,16 %	\$ 112 591	10,33%	\$ 66 478	9,90%
Oceania	\$ 13 355	0,76 %	\$ 6 002	0,55%	\$ 7 353	1,09%

Source: The Trade Capacity Building Database as of April 2005

Overall bilateral funding grew extensively over the three years – by 18,2 % in 2002 and 26,5% in 2003. Throughout the period, bilateral funding exceeded multilateral funding on average by 1,4 times. Bilateral funding in 2003 was higher than multilateral funding in all recipient countries except for Oceania and America.

Multilateral funding remained the highest in Africa, even though it decreased by almost half in 2002 compared to 2001 and in 2003 it still did not reach the 2001 level. Nevertheless, more than one third of total multilateral funding was still allocated to Africa. Overall multilateral funding decreased in 2002 by 26,3% from 624.6 million US\$ in 2001 to 458 million US\$. There was an increase of 46% in multilateral funding in 2003, 671 million US\$.

Figure 22: Funding for trade development by countries in 2001, 2002 and 2003 – US\$ thousand



Source: The Trade Capacity Building Database as of April 2005

While in 2001 bilateral funding was quite evenly spread among three sets of recipients: Africa, Asia and unspecified Developing Countries, later on there was a tendency for bilateral funding in relative terms to grow in Africa, to remain at approximately the same level in Asia, and to increase in America which now joins the top three trade development assistance beneficiaries in the world. The sharp decrease of funding for unspecified developing countries might well be explained by reporting problems and nuances of the funding allocated rather than by an actual decrease of funding.

Table 12: Trade development TRTA/CB by countries in 2001, 2002 and 2003 – US\$ thousand and Nr. of activities

Years (Commitments)-2001, US\$ thousands													
Recipient Ctry Category	Category	A- Business support services and institutions	% of Total A	B- Public-private sector networking	% of Total B	C- E-commerce	% of Total C	D- Trade finance	% of Total D	E- Trade promotion strategy and implementation	% of Total E	F- Market analysis and development	% of Total F
TOTAL	\$ 1 352 975	\$ 496 926	100,00 %	\$ 26 559	100,00 %	\$ 1 734	100,00 %	\$ 412 677	100,00 %	\$ 228 754	100,00 %	\$ 186 326	100,00 %
Africa	\$ 477 925	\$ 129 963	26,15 %	\$ 1 754	6,61 %	\$ 40	2,33 %	\$ 216 015	52,34 %	\$ 64 192	28,06 %	\$ 65 960	35,40 %
America	\$ 186 480	\$ 117 982	23,74 %	\$ 451	1,70 %			\$ 31 816	7,71 %	\$ 22 865	10,00 %	\$ 13 366	7,17 %
Asia	\$ 221 239	\$ 71 148	14,32 %	\$ 1 762	6,63 %	\$ 254	14,66 %	\$ 81 080	19,65 %	\$ 41 681	18,22 %	\$ 25 315	13,59 %
Developing countries unspecified	\$ 328 791	\$ 131 254	26,41 %	\$ 21 535	81,09 %	\$ 366	21,11 %	\$ 41 926	10,16 %	\$ 74 385	32,52 %	\$ 59 324	31,84 %
Europe	\$ 120 453	\$ 45 056	9,07 %	\$ 1 055	3,97 %	\$ 940	54,23 %	\$ 41 639	10,09 %	\$ 22 778	9,96 %	\$ 8 984	4,82 %
Oceania	\$ 18 087	\$ 1 523	0,31 %			\$ 133	7,67 %	\$ 201	0,05 %	\$ 2 853	1,25 %	\$ 13 376	7,18 %
Years (Commitments)-2002, US\$ thousands													
TOTAL	\$ 1 319 447	\$ 342 329	100,00 %	\$ 27 928	100,00 %	\$ 36 614	100,00 %	\$ 343 410	100,00 %	\$ 318 795	100,00 %	\$ 250 372	100,00 %
Africa	\$ 475 307	\$ 185 039	54,05 %	\$ 13 651	48,88 %	\$ 22 694	61,98 %	\$ 96 640	28,14 %	\$ 113 406	35,57 %	\$ 43 877	17,52 %
America	\$ 141 756	\$ 26 935	7,87 %	\$ 837	3,00 %	\$ 723	1,97 %	\$ 19 301	5,62 %	\$ 51 546	16,17 %	\$ 42 415	16,94 %
Asia	\$ 382 666	\$ 84 149	24,58 %	\$ 2 180	7,80 %	\$ 6 824	18,64 %	\$ 130 021	37,86 %	\$ 101 814	31,94 %	\$ 57 678	23,04 %
Developing countries unspecified	\$ 137 255	\$ 20 010	5,85 %	\$ 8 668	31,04 %	\$ 655	1,79 %	\$ 19 435	5,66 %	\$ 30 623	9,61 %	\$ 57 863	23,11 %
Europe	\$ 166 569	\$ 24 626	7,19 %	\$ 1 451	5,19 %	\$ 5 614	15,33 %	\$ 73 966	21,54 %	\$ 17 046	5,35 %	\$ 43 865	17,52 %
Oceania	\$ 15 894	\$ 1 569	0,46 %	\$ 1 140	4,08 %	\$ 104	0,28 %	\$ 4 047	1,18 %	\$ 4 359	1,37 %	\$ 4 674	1,87 %
Years (Commitments)-2003, US\$ thousands													
TOTAL	\$ 1 761 910	\$ 360 641	100,00 %	\$ 26 724	100,00 %	\$ 31 363	100,00 %	\$ 326 348	100,00 %	\$ 690 561	100,00 %	\$ 326 273	100,00 %
Africa	\$ 649 562	\$ 116 627	32,34 %	\$ 13 599	50,89 %	\$ 15 897	50,69 %	\$ 122 470	37,53 %	\$ 248 970	36,05 %	\$ 131 998	40,46 %
America	\$ 380 008	\$ 63 617	17,64 %	\$ 3 460	12,95 %	\$ 4 188	13,35 %	\$ 34 883	10,69 %	\$ 199 047	28,82 %	\$ 74 812	22,93 %

SURVEY OF TRADE RELATED
TECHNICAL ASSISTANCE

ANNEX

Asia	\$ 361 874	\$ 40 510	11,23 %	\$ 3 708	13,88 %	\$ 6 232	19,87 %	\$ 128 136	39,26 %	\$ 122 419	17,73 %	\$ 60 869	18,66 %
Developing countries unspecified	\$ 178 043	\$ 65 006	18,03 %	\$ 1 783	6,67 %	\$ 1 757	5,60 %	\$ 11 114	3,41 %	\$ 76 526	11,08 %	\$ 21 857	6,70 %
Europe	\$ 179 068	\$ 73 048	20,26 %	\$ 4 174	15,62 %	\$ 3 279	10,46 %	\$ 29 501	9,04 %	\$ 34 393	4,98 %	\$ 34 674	10,63 %
Oceania	\$ 13 355	\$ 1 832	0,51 %			\$ 9	0,03 %	\$ 245	0,07 %	\$ 9 206	1,33 %	\$ 2 063	0,63 %

Years (Commitments)-2001, Nr of activities													
Recipient Ctry Category	Category	A- Business support services and institutions	% of Total A	B- Public-private sector networking	% of Total B	C- E-commerce	% of Total C	D- Trade finance	% of Total D	E- Trade promotion strategy and implementation	% of Total E	F- Market analysis and development	% of Total F
TOTAL	1 959	929	100,00 %	35	100,00 %	33	100,00 %	239	100,00 %	365	100,00 %	358	100,00 %
Africa	489	286	30,79 %	4	11,43 %	1	3,03 %	37	15,48 %	100	27,40 %	61	17,04 %
America	315	162	17,44 %	5	14,29 %			24	10,04 %	61	16,71 %	63	17,60 %
Asia	620	256	27,56 %	8	22,86 %	12	36,36 %	119	49,79 %	92	25,21 %	133	37,15 %
Developing countries unspecified	194	82	8,83 %	16	45,71 %	10	30,30 %	13	5,44 %	22	6,03 %	51	14,25 %
Europe	280	122	13,13 %	2	5,71 %	3	9,09 %	41	17,15 %	71	19,45 %	41	11,45 %
Oceania	61	21	2,26 %			7	21,21 %	5	2,09 %	19	5,21 %	9	2,51 %
Years (Commitments)-2002, Nr of activities													
TOTAL	2 731	786	100,00 %	71	100,00 %	103	100,00 %	383	100,00 %	646	100,00 %	742	100,00 %
Africa	784	239	30,41 %	15	21,13 %	23	22,33 %	68	17,75 %	239	37,00 %	200	26,95 %
America	405	118	15,01 %	10	14,08 %	7	6,80 %	25	6,53 %	126	19,50 %	119	16,04 %
Asia	790	207	26,34 %	15	21,13 %	31	30,10 %	180	47,00 %	140	21,67 %	217	29,25 %
Developing countries unspecified	255	92	11,70 %	16	22,54 %	8	7,77 %	22	5,74 %	53	8,20 %	64	8,63 %
Europe	425	112	14,25 %	14	19,72 %	21	20,39 %	80	20,89 %	67	10,37 %	131	17,65 %
Oceania	72	18	2,29 %	1	1,41 %	13	12,62 %	8	2,09 %	21	3,25 %	11	1,48 %
Years (Commitments)-2003, Nr of activities													

SURVEY OF TRADE RELATED
TECHNICAL ASSISTANCE

ANNEX

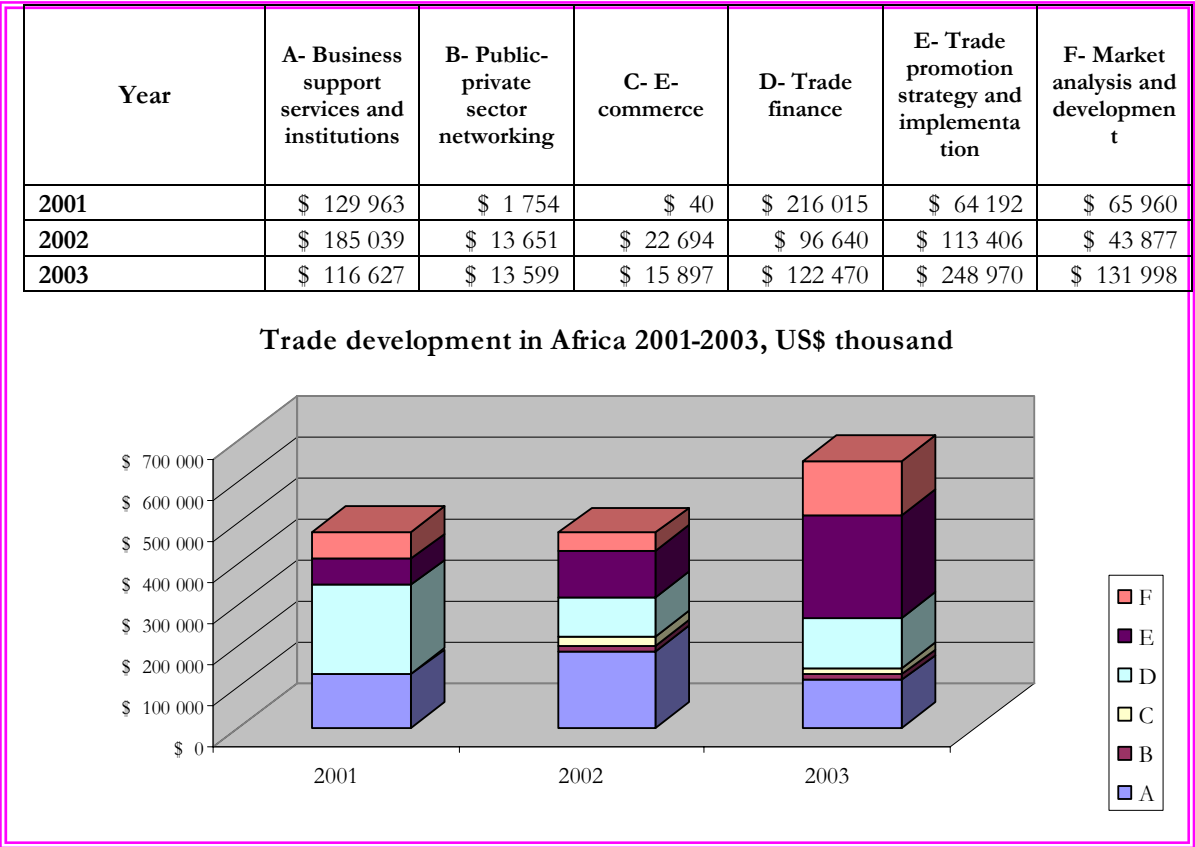
	TOTAL		100,00		100,00		100,00		100,00		100,00		100,00
	2 686	743	%	57	%	126	%	429	%	630	%	701	%
Africa	695	199	26,78 %	14	24,56 %	31	24,60 %	85	19,81 %	181	28,73 %	185	26,39 %
America	518	148	19,92 %	15	26,32 %	29	23,02 %	46	10,72 %	143	22,70 %	137	19,54 %
Asia	814	211	28,40 %	11	19,30 %	32	25,40 %	221	51,52 %	127	20,16 %	212	30,24 %
Developing countries unspecified	227	62	8,34 %	6	10,53 %	14	11,11 %	15	3,50 %	66	10,48 %	64	9,13 %
Europe	367	103	13,86 %	11	19,30 %	19	15,08 %	52	12,12 %	86	13,65 %	96	13,69 %
Oceania	65	20	2,69 %			1	0,79 %	10	2,33 %	27	4,29 %	7	1,00 %

Source: The Trade Capacity Building Database as of April 2005

Africa

The figures above show that the main recipient of technical assistance for trade development over the period 2001 to 2003 was Africa, which received on average 35% (or 534 million US\$ annually) of total trade development assistance. An average of 656 activities were carried out each year; this is the second highest number after Asia, with its average of 741 activities a year.

Figure 23: Trade development technical assistance in Africa 2001, 2002 and 2003 - US\$ thousand



Trade finance

In 2001, TRTA in Africa was dominated by assistance TO trade finance. Africa then received 52,3% of total trade finance assistance, which fell to 28% in 2002 before rising again to 37,5% in 2003. In 2002 and 2003 trade finance activities shrank in relative as well as absolute terms. However trade finance was always at the top of trade development assistance in Africa, during those three years it received 435.1 million US\$ of donor funding and 190 activities were carried out. Trade finance assistance in 2001 went to North of Sahara unallocated (33,5 % of total trade finance assistance for Africa or 66 million US\$) and South of Sahara (66,5 % of total trade finance assistance for Africa or 144 million US\$). Main beneficiaries were countries like Zambia (32.9 million US\$. 17.9 million US\$ loan for SMEs from EC with EIB as implementing agency and 15 million US\$ IDA loan for regional trade facilitation), Kenya (25 million US\$ - all coming from IDA loan for regional trade facilitation project), Uganda (22 million US\$ - 20 million US\$ loan from IDA for regional trade facilitation project and 1,2 US\$ million from USA for financial

policy and administrative management project), Ethiopia (17.9 million US\$ loan for SMEs from EC with EIB as implementing agency), and Malawi and Tanzania (around 15 million US\$ for each as loan from IDA).

In 2002 Algeria received a loan from France (33.9 million US\$) giving it almost 10% of total trade finance funding that year and making it the biggest trade finance beneficiary in 2002 among African countries.

Egypt received 12,9% or 42.4 million US\$ in grants from USA for trade finance in 2003 for seven different activities such as strengthening the financial sector, assistance for customs and trade facilitation, commercial environment for investment, etc. The second biggest recipient in 2003 was Uganda with 11% or 35.9 million US\$, received mainly from the EC as a grant of 33.8 million US\$.

13.2 million US\$ (6,1% of total) of trade finance funding in 2001 came from bilateral origins, implemented by bilateral agencies. The remaining 202.8 million US\$ (93,8%) were provided and implemented by the multilateral donors. Main bilateral donors in 2001 was USA with 7.7 million US\$. The USA financed several projects in Egypt, Senegal, Nigeria, South Africa, Uganda etc.

Half of multilateral funding in 2001 (around 100 million US\$) was provided by the EC for three loans in North of Sahara unallocated (implemented by the EC itself), Ethiopia and Zambia (implemented by EIB). The other half was provided by IDA in loans for Malawi, Uganda, Kenya, Zambia, Burundi, Tanzania and Africa unspecified.

In 2002, with a rapid decrease (-44,7%) compared to 2001 in trade finance technical assistance activities (total funding was 96.6 million US\$), bilateral donors implemented projects worth 76 million US\$ (78,8%) while multilateral donors came up with only 20,4 million US\$. The most active bilateral agencies/donors in 2002 were France with a 33.9 million US\$ (38,6% of total trade finance funding in 2002) loan in Algeria as already mentioned, Germany and Switzerland with 4.8 million each. Germany provided a grant to Morocco, and Switzerland provided three grant; for North Africa Enterprise Development Facility, for African Management Services Company and for Swiss - MIGA Partnership for Sub Saharan Africa. UK provided a 7.5 million US\$ grant for South Africa for improved SME access to financial services. USA funded projects worth 16.6 million US\$, all of them grants to various countries (28 grants altogether).

The EC financed and EIB implemented three trade finance projects in Africa in 2002. These were in Cape Verde, Burkina Faso and Niger. These were loans with a total value of 15 million US\$ (around 15% of total funding). The rest of multilateral financing, 5.3 million US\$, came from an IDA loan to Africa unspecified. In 2002, ITC implemented four grant projects with a total value of 31 000 US\$ in Algeria, Benin, Ethiopia and Guinea.

In 2003, total funding for trade finance reached 122.4 million US\$, with 81.7 million US\$ coming from bilateral sources and the remaining 40.7 million US\$ from two EC grants to Burkina Faso and Uganda. Also, 57,000 US\$ went to Algeria and Angola, as well as Africa unspecified via ITC.

52.5 million US\$ (or around 65% of total) were provided by the USA for 42 different activities/grants. Denmark provided 11 million US\$ for a grant to Ghana while 9.6 million US\$ came from Belgium in 2003 for grants in various countries.

Business support services and institutions

The second biggest trade development category in terms of funding in Africa was business support services and institutions. During 2001-2003, Africa received 431.6 million US\$ for

activities in this area. In 2003, the level of funding as well as the number of activities decreased compared to 2002, down to 116 million US\$. In 2001 Africa received 26% of funding under this subcategory; in 2002 more than half of funding for business support services and institutions went to Africa, but in 2003 this became 32%. This is more than any other beneficiary received during the same period under business support category. Main beneficiaries in Africa over the period of 2001 - 2003 were:

- South Africa – 53 million US\$ in 2001 (mainly from the loan provided by the EC for Private Sector Development Risk Capital Facility) and 29 million US\$ in 2003 (almost all of which came from the UK grant);
- Morocco – 64.5 million US\$ in 2002 due to a 57.4 million US\$ grant from the EC for increase in SME competitiveness;
- Tunisia – 47.7 million US\$ in 2002 of which 47.1 million US\$ came from the EC as grant for increase in SME competitiveness;
- Nigeria – 22.7 million US\$ in 2002 thanks to a 22.5 million US\$ grant from the UK.

More than half of bilateral funding in 2001 (or 36.7 million US\$) were provided by the USA for 24 different activities. 64 million US\$ or more than 80% of multilateral funding came from the EC and the biggest share of it was for South Africa, as mentioned before.

In 2002, bilateral agencies diminished their activities. Among the main donors was the UK, which provided 25.6 million US\$ out of 46.3 million US\$ allocated to Africa in 2002. Then, 22.5 million US\$ went to Nigeria, as mentioned earlier. The USA and Germany provided 6.3 million US\$ each. Multilateral donors allocated 138.7 million US\$ for Africa's business services and institutions in 2002. The major donor funding came from the EC, with 57.4 million US\$ to Morocco and 47.1 million US\$ to Tunisia, to increase their competitiveness in the context of the Euro-Med Free Trade Area, while 14.1 million US\$ went to Senegal as credit line for SMEs.

In 2003 the leader among bilateral donors was the UK again, with 28.5 million US\$ provided to South Africa. The USA provided 15.5 million US\$ to finance 27 activities in different countries. 14.9 million US\$ came from Denmark - most of which was for two activities in Ghana, each worth 6 million US\$, to strengthen business culture and to improve the legal sector and judiciary.

Multilateral funding constituted 38,6% of funding in 2003 for this category. Out of the total of 44.8 million US\$, IDA provided 37.8 million US\$ in loans and grants for investment climate sector assessment, competitiveness promotion etc.

Trade promotion strategy and implementation

As in the other two categories mentioned above, Africa was the outright leader among beneficiaries in terms of funding received during 2001-2003. Unlike with trade finance and business support, trade promotion funding for Africa steadily increased during the three years. If in 2001 it was 64 million US\$, then in 2003 it had become 248.9 million US\$. In terms of funding in 2003, Africa received more than one third of the total for this sub-category. Most of this went to agriculture (policy and administrative management, development, research, agricultural financial services etc.), and industry (policy and administrative management, SME development, etc.).

Bilateral funding/implementation for trade promotion exceeded multilateral funding during the whole period of 2001-2003. Although trade promotion funding was more equally spread among

the countries than the other two categories analysed before, one can still identify main beneficiaries:

- Ethiopia received 6,2% of total trade promotion assistance in 2001, with 14.3 million US\$. Of that figure, 13.4 million US\$ came from the EC for the Coffee Improvement Programme.
- In 2002 and 2003 Egypt benefited most, receiving 23 million US\$ or 7,2% of total trade promotion funds in 2002. Most (22 million) was donated by the USA for trade promotion, with five projects in industry, tourism and agriculture. In 2003 Egypt received 41.6 million US\$, half of which came from the USA for agriculture and tourism and the other half from the EC for agriculture.

In 2001 Norway provided 23 million US\$ (or 36% of total funding in 2001) for 14 different activities in various countries. 16 million US\$ went to fishing policy and administrative management in South of Sahara Africa. The USA provided 17 million US\$ for 14 grants in 2001.

The EC was the leader among multilateral donors in 2001, providing 14 million US\$ with most of it (over 13 million US\$) for Ethiopia, as mentioned above.

In 2002, bilateral funding/implementation¹⁶ for trade promotion constituted 93,6% of the total funding while multilateral funding/implementation comprised only 6,3%. The main bilateral donors in 2002 was the USA, with 55.6 million US\$ (49% of total) for five projects in Egypt (mentioned above) and 124 in other countries (all South of Sahara) and mainly in agricultural policy and management and in agro-industries. Portugal donated 13.6 million US\$ (12% of total) for five projects on agricultural policy and management, tourism policy and management and agricultural development in Sao Tome & Principe and eight projects in other South of Sahara countries. Portugal's biggest donation in 2002 went to Angola, with 11.2 million US\$ for assistance in editing and publishing trade related manuals - the Angola Investment Guide; the Bengo Province study;

IDA was the biggest multilateral donor in 2002 with a total of 4.5 million US\$ and two grants to Mauritius (Labour Market Review in industry) and Uganda (Export Growth and Competitiveness Study in Industry) and a 4.2 million US\$ loan for the Private Irrigation Promotion Project in Niger.

Bilateral and multilateral funding in 2003 increased in absolute terms; multilateral funding increased relative to bilateral, constituting 37,5% of the trade promotion budget in 2003. 26% (65.9 million US\$) of funding came from the USA and 25,6% (63.7 million US\$) from France. The USA and France both financed a range of projects in agriculture, industry, SMEs development, tourism and services. Another 25, 2% (62.9 million US\$) was allocated by the EC for a smaller range of projects in fishery research (15.8 million US\$ South of Sahara unallocated for regional tuna tagging project), agricultural services and agricultural financial services (a 20 million US\$ grant to Egypt), agricultural research (16 million US\$ for South of Sahara unallocated for agricultural research co-ordination and training in the SADC region), tourism and agro-industries.

¹⁶ There is a slight difference in project funding by donors and project implementation, however the difference is not significant enough and does not change the overall picture. Therefore we do not distinguish between funding and implementation. The implementation of projects by different organisations will be analysed further in this report, when assessing ITC's comparative advantage.

Market analysis and development

Africa received 241.8 million US\$, or one third of all funding, for market analysis and development during the period of 2001-2003. The funding was distributed evenly among beneficiaries with only two exceptions in 2001:

- Ghana received 23 million USD\$ (12,3% of total market analysis funding). The biggest portion of this was made up by 21,9 million US\$ from Canada for support for the implementation of the Government Food and Agriculture Development Policy (FASDEP);
- 17.3 million US\$ in 2001 were allocated to Madagascar, most (98%) came from the EC via EIB as implementing agency, as a loan for shrimp farming activities.

Overall funding for market analysis activities reached 131.9 million US\$. In 2002, funding had decreased (by -33,8%) from 2001. However in 2003 funding tripled comparing to 2002 thanks to the increase in multilateral funding which rose from a mere 3 million US\$ in 2002 to 81 million US\$. Bilateral funding, which had been stable in 2001 and 2002 (around 40 million US\$ each year) increased in 2003 by 10 million US\$.

Main bilateral donors in 2001 was Canada - 33% of total funding (21.9million US\$) in 2001. All of Canada's funding went to Ghana (project mentioned above).

The most active multilateral donors in 2001 were EIB, EC and FAO. EIB provided a 17 million US\$ loan financed by the EC for Madagascar (mentioned above). The EC provided two grants for Africa unspecified with a total sum of 3.2 million US\$. Out of these 3,2 millions, 2.6 million US\$ went to forestry policy management and administration. The FAO carried out 11 projects with a total value of 4 million US\$. The biggest of them – 2.1 million US\$ - went to the Republic of Congo for plant and post-harvest protection and pest control.

In 2002, 60% of total funding for market analysis was provided by the USA which funded 123 projects in a range of countries, allocating 26 million US\$. Most of these projects were export promotion (Global Trade and Technology Network –an international trade lead matching and technology transfer network that helps small and medium-sized enterprises build trade and business linkages, identify investment opportunities and access new technologies) and trade-related agriculture development (promoting the development and growth of the agribusiness sector as well as inter-regional and intra-regional trade within Sub-Saharan African countries). France was second biggest bilateral donor in 2002 with almost 7 million US\$ provided for 29 projects in different countries.

Almost all multilateral funding for market analysis in 2002 went to Africa from FAO for 15 projects worth 2.6 million US\$.

In 2003 the USA provided 43 million US\$ for market analysis in Africa. Funding was provided for trade promotion, business services training, tourism sector development and trade-related agriculture. In all 88 projects were implemented.

IDA provided 76.7 million US\$, more than half of total funding in 2003, all as a loan for the Southern African power market.

Public-private sector networking and E-commerce

During the three years in question, e-commerce in Africa received 38.6 million US\$ and public-private networking activities got 29 million US\$. In 2001 no bilateral funds were allocated for e-

commerce but in 2002 22.6 million US\$ were made available and 2003 saw 15 million US\$ from bilateral agencies. All of these funds were allocated by the USA for 47 projects. In 2002 the ITC with 37,000 US\$ was the only multilateral agency working in e-commerce, with just one project in Cameroon. In 2003, ITC was joined by UNIDO with 789,000 US\$, provided by Austria for Uganda. ITC implemented e-preparedness analysis in 4 countries at a cost of 20,000 US\$

Funding for public-private sector networking originated mainly from bilateral sources. The main donors were Germany, with almost 3 million US\$ allocated in 2001 and 2002; the UK, with 8.6 million US\$ in 2003; and the USA, with 14 million US\$. The biggest multilateral donation came through IDA in 2003, with 1.5 million US\$.

Conclusions

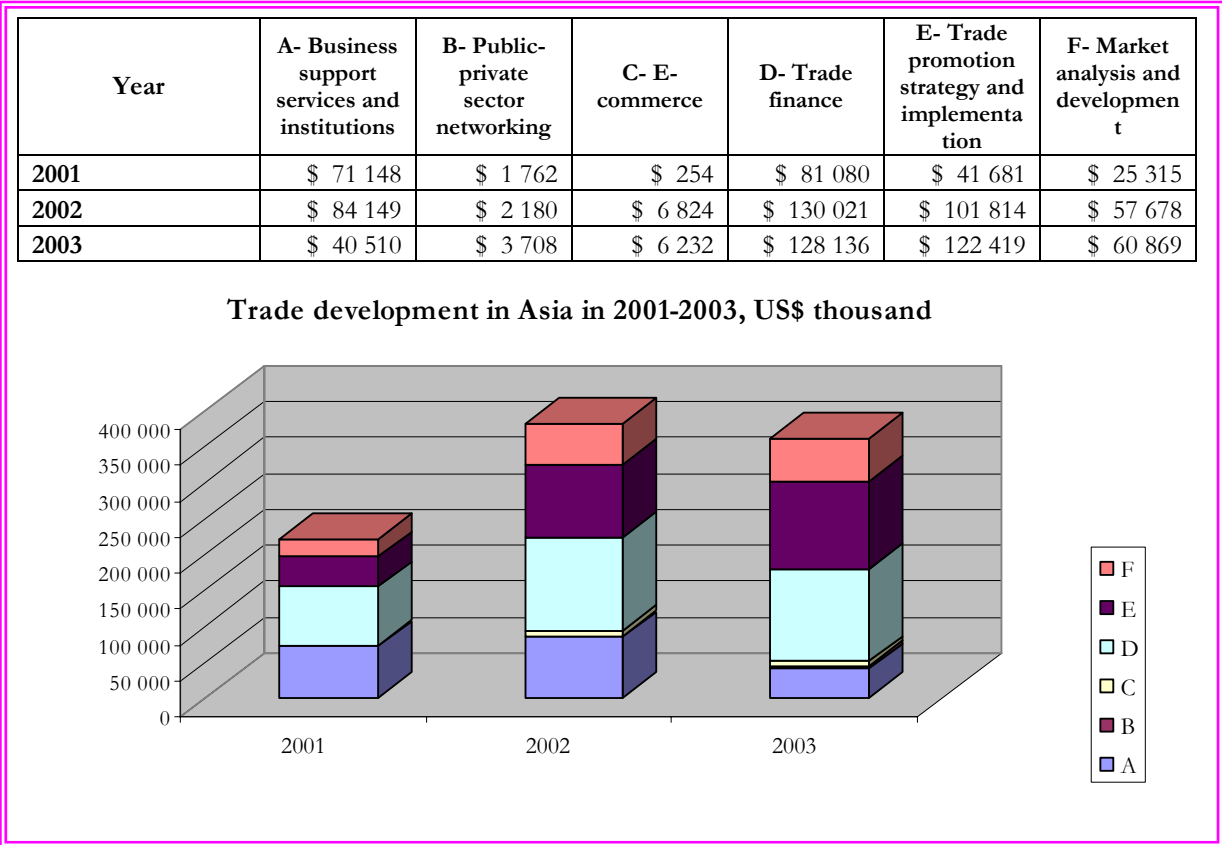
Globally, Africa was the major beneficiary of trade development assistance. As mentioned before, each year Africa received just over one third of total trade development assistance. Overall, during 2001-2003, Africa received 1.6 billion US\$. Looking into the distribution of assistance within Africa, South of Sahara was at the top of list for total global trade development TRTA, with an average 24% share every year. North of Sahara in comparison received on average only 10,7% and there was a sharp decrease in 2003 (8% of total relative to 2002 with 17% of total). South of Sahara Africa experienced a fall in funds in 2002, from 26% of total in 2001 to 17% in 2002, but 2003 saw a return to the level of 2001. The countries that benefited most in Africa in total trade development TRTA during the period 2001-2003 were:

- Egypt – 4,46% of total or 197 million US\$;
- Uganda – 2,43% of total or 107 million US\$;
- South Africa – 2,27% of total or 100 million US\$;
- Morocco – 1,94% of total or 86 million US\$;
- Tunisia – 1,8% of total or 79.8 million US\$;
- Ghana – 1,72% of total or 76 million US\$;
- Zambia – 1,13% of total or 50 million US\$;
- Senegal – 1,11% of total or 49 million US\$.

Asia

During 2001-2003 Asia received 21,7% of total trade development technical assistance or 965.7 million US\$.

Figure 24: Trade development technical assistance in Asia 2001, 2002 and 2003 - US\$ thousand



In Asia, too, the leading trade development category in terms of funding was trade finance. Asia received 339 million US\$ for trade finance during 2001-2003 (one third of all trade development assistance allocated to Asia). Trade promotion strategy was in second place while business support services and institutions were the third best funded category for Asia.

Trade finance

In 2001, Asia received 81 million US\$ for trade finance. Following an increase the following year to 130 million US\$, the budget remained stable with 128 million US\$ in 2003. Multilateral agencies provided only 3.4 million US\$ for trade finance in 2001. In 2002 multilateral funding increased steadily, though, and constituted almost half of the total that year (56.6 million US\$). In 2003 it fell back to 9.6 million US\$. Therefore, funding for trade finance activities in Asia was dominated by the bilateral agencies.

The main beneficiaries of trade finance TRTA in 2001 in Asia were Armenia with 15.3 million US\$ (3,71% of total world trade finance assistance in 2001). 3,6 million US\$ were provided by Germany as an SME credit line, while 13.6 million came as two grants from the USA for financial

policy and administrative management; and Kyrgyzstan which received 9.5 million US\$. Germany provided 6.8 million US\$ as a loan for the Kyrgyzstan Investment and Credit Bank, plus another loan for a private sector promotion credit line.

In 2001 USA allocated 42.6 million US\$ or half of trade finance TRTA in Asia for 14 projects in financial policy and administrative management. The largest were 3.1 million US\$ for the Philippines, 1.1 million US\$ for Armenia and the same amount for Azerbaijan.

Pakistan received 13,8% of the total trade finance TRTA in 2002. All of that 47.1 million funding came from an EC grant for a financial services reform programme to create additional resources for the reinforcement of social sector development under the Government's Poverty Reduction Strategy Programme. Next came Vietnam which received 19.3 million US\$ in 2002. France provided an 18,4 million US\$ loan to Vietnam, making France the biggest bilateral donor in 2002.

43% of financing for this category in 2002 was provided the EC. Its 56.5 million US\$ went to two projects – 47.1 million to the Pakistani Financial Services Sector Reform Programme and 9.4 million US\$ to the Bangladesh South Asia Enterprise Development Facility.

China was the top beneficiary among Asian countries in term of funding received for trade finance in 2003, with 39.6 million US\$. Most of this sum (34.3 million US\$) came from Germany as two loans for SME credit programmes.

The USA provided 13.2 million US\$ for Palestinian Administrative Areas as six grants for bank supervision, a market access programme, audit capacity building, financial market reform etc. That comprised 26,9 % of total trade finance assistance to Asia in 2003.

15,2% of funds (19.5 million US\$) came from Switzerland, for three projects in China and for the ASEAN China Investment Partnership Fund.

Trade promotion strategy and implementation

The second best funded trade development category in Asia was trade promotion. During 2001-2003, Asia received 265.9 million US\$ for trade promotion. In 2001 and 2002, over 80% of funding was provided by bilateral agencies. In 2003 there was an increase in multilateral funding, which rose to 40% (50 million US\$) of total.

Half of trade promotion TRTA funds in 2001 went to India, which received a 20 million US\$ grant from the USA for trade promotion with the aims of helping workers share in gains from trade and protect their rights in trade related sectors, with emphases on supporting workforce skills development, worker rights and labour standards etc. USA grants constituted over 70% of the trade promotion budget in 2001. These projects from USA were similar to the one implemented in India.

Multilateral donors provided 14% of funding, mainly from IDA (7% of total or 2.9 million US\$) and UNIDO (2.4 million US\$ or 5,9% of total). IDA provided a grant for an industry export policy and performance study in Vietnam (project value 233,000 US\$) and a loan for energy transit institution building in Georgia (2.6 million US\$).

UNIDO in turn carried out eight projects in trade promotion strategy and implementation.

In 2002 the USA again provided more than 56% of the total trade promotion budget by donating 56.7million US\$, financing 59 projects in areas like services, agro-industries, energy manufacturing, food crop production, agricultural policy and administrative management,

tourism policy and administrative management etc. The biggest grants (5 and 4 million US\$) went to the Philippines Timebound Program to Eliminate Worst Forms of Child Labour in agriculture and the Nepal Timebound Program Education Initiative.

France provided 19,2% (19.5 million US\$) of the trade promotion budget in 2002 and carried out 12 projects, mainly related to agro-industries and agriculture. 19 million US\$ was in the form of a loan for agricultural financial services in Vietnam.

Out of 15.9 million US\$ of funding provided multilaterally, the biggest portion by far was donated by the EC, a total of 14.1 million US\$. All of this went to China for the project "Telecom and Information Society China". It was an EU-China co-operation programme in the Information Society whose objective was to contribute to the modernisation and liberalisation of the Chinese economy through integration into the world Information Society.

Out of 122.4 million US\$ allocated in 2003 to Asia for trade promotion, Lebanon received 36.2 million US\$ from the EC as two grants: one was for integrated SME support programme and the other for strengthening quality management, capabilities and infrastructure in Lebanon, making Lebanon the biggest beneficiary and the EC the main donor in 2003.

The EC provided finance for two other projects at 5.6 million US\$ each, in Asia (Jordan, additional funds for the Industrial Modernisation Programme – EJADA) and Thailand (Small Project Facility Trade Development).

The USA provided a total of 36.2 million US\$ for a variety of projects in Asia mainly in services, tourism policy and administrative management, agricultural research and policy and administrative management, industrial policy and administrative management etc.

Business support services and institutions

During 2001-2003 Asia received 195.8 million US\$ for business services and institutions TRTA, i.e. around 27% of the total global assistance for activities under this category. During these years, assistance for Asia in absolute amounts decreased from 71 million US\$ to 40.5 million US\$. Proportions of bilateral funding were 80% in 2001, 30,4% in 2002 and 74,4% in 2003. The main beneficiaries over the three year period were Palestinian Administrative Areas, which received 14.2 million US\$ in 2002 from the EC for Emergency Support Programme to SMEs in West Bank and Gaza Strip, and East Jerusalem. Another 3.5 million US\$ were donated by the USA in 2001. Altogether Palestinian Administrative Areas received 18.7 million USD of technical assistance for business support services and institutions in 2001-2003. Jordan received 16.3 million in 2001-2003 of which the biggest share was the 2001 funding by the USA of 12.8 million US\$ for business support activities.

The most active donors for business support TRTA in Asia was the USA, with 29,3% of the total funding in 2001-2003, or 57.4 million US\$. In 2001, the USA's donations constituted 65,8% of total funding. In 2001, the USA supported many Asian countries, including the project mentioned in Jordan, but 2.1 million US\$ went to Mongolia, 2 million US\$ to Sri Lanka, another 3.7 million US\$ to Azerbaijan, 3.5 million US\$ to Kazakhstan and 3.1 million US\$ to Kyrgyzstan etc.

68.6 million US\$ (35%) of technical assistance during 2001-2003 were provided by the EC. Most (54.9 million US\$) was allocated by the EC in 2002 for eight projects. 3.2 million US\$ went for Asia unspecified for Asia-Invest II, designed to strengthen the EU's political and economic presence across Asia, raise awareness of Europe in Asia (and vice versa), strengthen mutual trade

and investment flows between the regions. 14.2 million US\$, already mentioned, went to Palestine. The EC carried out a 5.2 million US\$ Tacis project in Azerbaijan for support to the Ministry of Fuel and Energy, support to the Tax Code, public procurement regulations, and institutional development for the new Ministry of Economic Development.

Japan provided 20.9 million US\$ (10,6% of total) for business support to Asia in 2001-2003. Unlike other donors, Japan allocated around the same amount annually for its technical assistance activities, with 6.3 million US\$ in 2001, 7.5 million US\$ in 2002 and 7 million US\$ in 2003. Japan implemented 493 activities during this period. Most were training activities, involving training in Japan in business management.

Market analysis and development

Market analysis and development activities during the period 2001-2003 received 1438 million US\$. Funding for market analysis grew every year, by 2003 it had grown to over 60 million US\$ from 25 million US\$ in 2001.

In this category, the Philippines benefited most, receiving 29 million US\$ during the three-year period. A range of projects was carried out there in industry and agriculture by Japan. In 2001, the Philippines obtained a grant of over 5 million US\$ from the USA to extend the benefits of trade to rural sectors and to support trade-related aspects of agriculture technology development and agri-business. A 4.8 million US\$ grant was allocated by the USA in 2002 and a further 8.7 million US\$ the next year for Trade-Related Agriculture Development and Growth with Equity in Mindanao (GEM) Program: Trade Facilitation, strengthening business organisations and encouraging investments in the Muslim areas of Mindanao. In 2003 Canada provided 3.5 million US\$ for the CESO Business Advisory project II .

The USA provided over half of funding for market analysis in 2001-2003, carrying out 111 activities. Japan donated 28.2 million US\$, almost one fifth of the total, implementing more than 300 activities - mainly agriculture and industry technical co-operation projects.

Public-private sector networking and E-commerce

Not just the budget, but also the country coverage under the two categories - public-private sector networking and e-commerce - was relatively low. Certain countries in Asia enjoyed no such activities in 2001-2003.

The total budget for networking activities in 2001-2003 was 7.6 million US\$ and for e-commerce 13,3 million US\$. 2.47 million US\$ for networking were provided by Germany and almost 60%, or 4.4 million US\$, by the USA. In e-commerce the USA provided over 80% (11.4 million US\$) of the total.

The biggest beneficiary was Jordan which got 2.8 million US\$ for e-commerce with three projects in 2003.

Conclusions

Asia received trade development assistance worth 965 million (21,7% of the total) during 2001-2003. Compared to Africa, TRTA in Asia was more evenly distributed among beneficiaries. South and Central Asia received most funds, with 8,5% of the world's total (378 million US\$)

over the period of 2001-2003. Next came Far East Asia with 7,7% of total (342 million US\$). The main beneficiaries were:

- China – 2,5% of total or 90.8 million US\$;
- India – 1,44% of total or 63.9 million US\$;
- Pakistan – 1,4% of total or 62 million US\$;
- Philippines – 1,3% of total or 61.4 million US\$;
- Palestinian Administrative Areas – 1,25% of total or 55 million US\$;
- Lebanon – 1% of total or 44.9 million US\$.

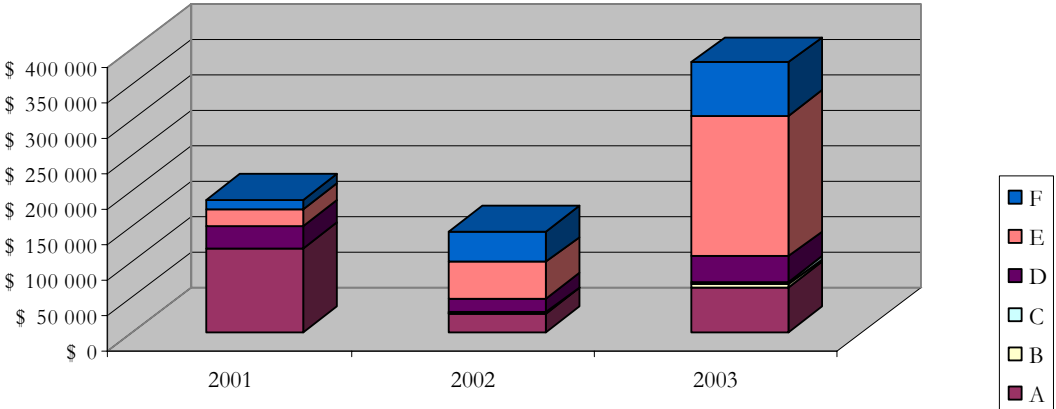
America

America was the third biggest trade development TRTA beneficiary after Asia and Africa. During 2001-2003 America received 208.5 million US\$ in trade development technical assistance. There were 1,238 activities carried out in 2001, 2002 and 2003 and over 80% of those were by bilateral agencies. In terms of the value of the activities, 59% were delivered by bilateral agencies. In 2002 and 2003, bilateral agencies implemented over 60% of trade development activities.

Figure 25: Trade development technical assistance in America 2001, 2002 and 2003 - US\$ thousand

Years	A- Business support services and institutions	B- Public-private sector networking	C- E-commerce	D- Trade finance	E- Trade promotion strategy and implementation	F- Market analysis and development
2001	\$ 117 982	\$ 451		\$ 31 816	\$ 22 865	\$ 13 366
2002	\$ 26 935	\$ 837	\$ 723	\$ 19 301	\$ 51 546	\$ 42 415
2003	\$ 63 617	\$ 3 460	\$ 4 188	\$ 34 883	\$ 199 047	\$ 74 812

Trade development in America in 2001-2003, US\$ thousand



Over one third (38,6% or 273.4 million US\$) of total trade development assistance for America in 2001-2003 went to trade promotion strategy and implementation, thanks to donor activities during 2003 when funding increased almost 4 times compared to 2002. Business support in America reached 29,5% (208.5 million US\$) of total trade development TRTA during the three years, while market analysis activities constituted 18,5% of total and reached 130.5 million US\$ over the same period. Trade finance assistance was worth almost 86 million US\$ (12% of total).

Trade promotion strategy and implementation

The value of trade promotion activities in America grew during the period by 200% with Jamaica, Brazil and Chile as the main beneficiaries (each received 2% of world’s total trade promotion assistance during 2001-2003). The biggest projects in America were in Jamaica, which received a 22.5 million US\$ grant from the EC in 2003 (over 90% of all trade development TRTA for

Jamaica in 2003) for a private sector development programme. Chile received 19.4 million US\$ from the EC in 2003 for SME support for new technology development and innovation to increase competitiveness in Chile.

The main donors were multilateral agencies. One agency alone, the EC, provided 12% of trade promotion activities in 2001-2003 and spent almost 55% of trade promotion budget.

The biggest projects of the EC included a grant 51.9 million US\$ provided in 2003 to promote European technologies and know-how within the Latin-American SME sector and support the integration efforts of sub-regional groupings such as Mercosur, Andean Pact and Central America, as well as the 22,5 million US\$ for Jamaica already mentioned earlier.

Among bilateral technical assistance providers, the USA was the most active with 86.3 million US\$ spent over 2001-2003. In fact, the USA provided one third of all trade promotion activities in America.

Business support services and institutions

Funding for business support services and institutions in America decreased in 2002 and 2003 compared to 2001.

Honduras received 3% (31 million US\$) of the world's total assistance to business support services and institutions in 2001-2003. That sum included a 28 million US\$ loan received by Honduras in 2003 from IDA for Enhancing Competitiveness: Trade Facilitation and Productivity Improvement Project.

Mexico received 16.2 million US\$ for business support and the biggest part of it (11.9 million US\$) was provided in 2002 (with 11.3 million US\$ donated by the EC for micro SME support).

Business support activities were sustained mainly by multilateral agencies (70% of total) with the EC as leader, providing 53% of total business support in 2001-2003. In 2001 the EC provided a 62.6 million US\$ grant to the Integrated Development Programme for the Caribbean rum industry.

The USA provided 29 million US\$ for business support to the Americas over the three years, i.e. 14% of total, while Japan provided 15.5 million US\$, or 7% of total.

Market analysis and development

Market analysis activities increased constantly throughout 2001-2003 with 78% of all assistance provided by bilateral agencies. The USA alone granted 60% of the total over the three years (78.3 million US\$) while the EC provided 21% of the total (27 million US\$). This latter amount was provided for one project in 2003 to support the competitiveness of the rice sector in the Caribbean.

The biggest beneficiaries of market analysis activities in America were Haiti (16 million US\$ during the three years), Bolivia (14 million US\$) and El Salvador (12 million US\$).

Trade finance

Trade finance in America constituted 12% of total trade development assistance in 2001-2003. Assistance was almost equally provided both by bilateral and multilateral agencies.

Main assistance providers included EIB (27.6 million US\$ - 32% of total), the EC (16.8 million US\$ - 20% of total), the USA (11.8 million US\$ - 14% of total), Switzerland (8.4 million US\$ - 10% of total) and Belgium (14 million US\$ - 16% of total).

The main beneficiaries of trade finance assistance during that period were Jamaica (18.1 million US\$) and Ecuador (8.7 million US\$). A loan of 17.9 million US\$ was provided to Jamaica by the EC in 2001 for financial sector operations.

Public-private sector networking and E-commerce

Public-private networking activities and e-commerce each received over 4 million US\$, which constituted 0,6% of trade development assistance to America over 2001-2003.

Almost all (96%) e-commerce activities in 2001-2003 were provided by the USA . The USA also provided 87% of networking activities.

Most e-commerce activities in America took place in 2003, with exception of few in 2002 in South America, Honduras and Jamaica. Guatemala received 915,000 US\$ for e-commerce activities and most of that (over 800,000 US\$) came from the USA in 2003 to establish a Business Development Unit to broker deals between buyers and sellers of products. That was the biggest project of e-commerce in America.

Mexico, with close to a million dollars (946,000 US\$) was the main beneficiary of networking activities. In 2003 Mexico received a grant of 800,000 US\$ from the USA for Training, Internships, Exchanges & Scholarships, a public-private alliance designed to spur social and economic growth in Mexico by supporting institutional strengthening in higher education via university linkages, educational programs and scholarships.

Conclusions

North & Central America, compared to other parts of America, benefited most from the technical assistance for trade development during 2001-2003. Overall it received 10,3% of the total trade development assistance, almost 459 million US\$. Assistance to America in general had doubled in 2003 compared to 2002, but in 2002 it had decreased by one fifth compared to 2001. In North & Central America we see the same tendency; in 2001 assistance reached 155.7 million US\$ then it fell in 2002 to 94.3 million US\$, increasing again to a level of 208.8 million US\$ in 2003. The picture was different both with Asia and Africa, where the levels of assistance generally corresponded to global tendencies in trade development TRTA – either they increased from year to year, as in Africa, or they stayed at the same level as in Asia in 2001 and 2002.

The region after North & Central America to benefit most was South America, which received 3,9% of total trade development assistance in 2001-2003. North and Central America received just 1,5% of the total during the same period and West Indies unallocated took 3% of total.

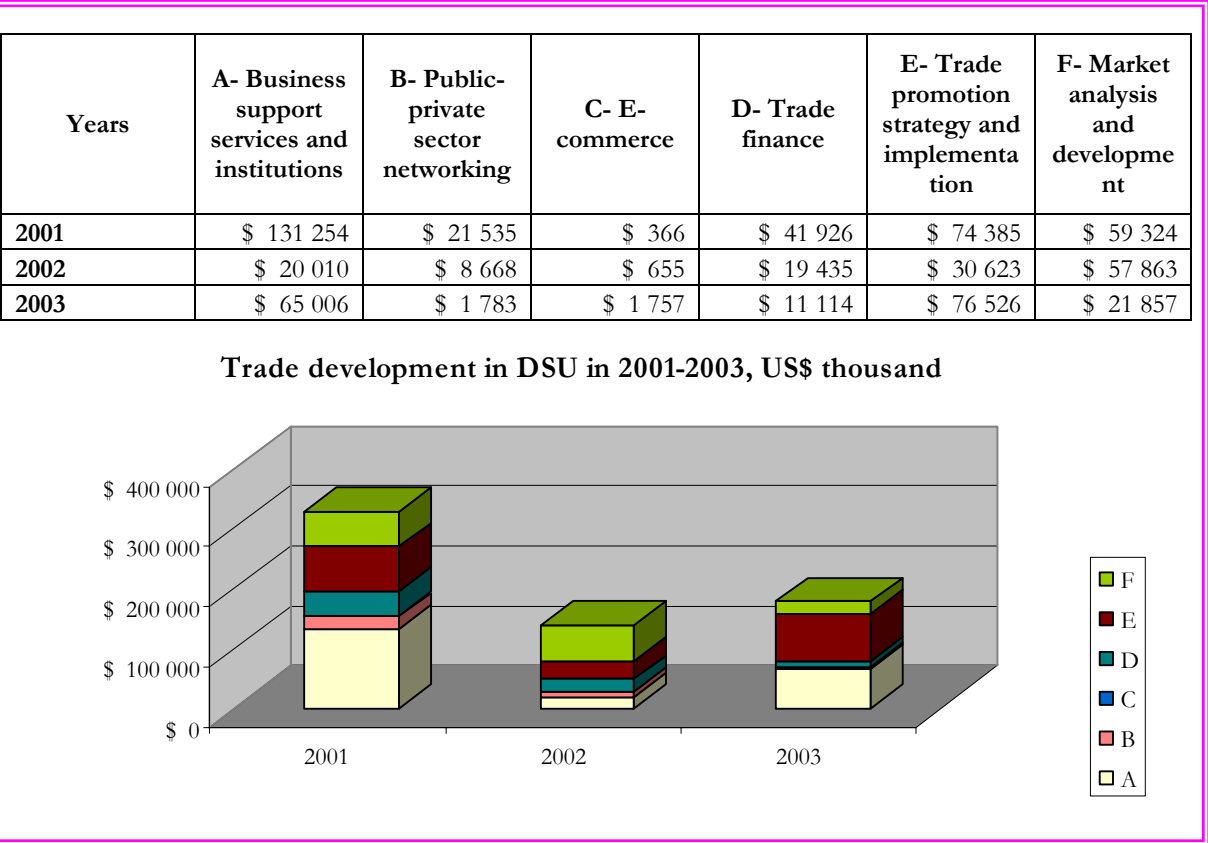
The main beneficiaries in America in 2001-2003 were:

- Jamaica – 1% of the total or 44.7 million US\$;
- Bolivia – 0,87% of the total or 38.3 million US\$.
- Honduras – 0,85% of the total or 37.7 million US\$;
- Brazil – 0,69% of the total or 30.5 million US\$.

Developing Countries Unspecified

Developing countries unspecified (DCU) received 644 million US\$ of trade development technical assistance during the same period. That constituted 14,5% of total trade development assistance in the world. In 2001 the assistance to DSU was one fifth of world’s total, but in the following two years it decreased to around 10% of total.

Figure 26: Trade development technical assistance in DSU in 2001, 2002 and 2003 - US\$ thousand



In 2002, assistance to DSU fell by 60% compared to 2001, but in 2003 it increased again by 30%, though still not getting back to the 2001 level 328.7 million US\$.

Of all trade development assistance for DSU in 2001-2003, 34% (216 million US\$) went for business support services and institutions. TRTA under this category was especially high in 2001 with 131 million US\$. In all, 181.5 million US\$ were donated during the three years for trade promotion activities. This constituted 28% of trade development TRTA for developing countries. The next category according to funding level was market analysis with 22% of total or 139 million US\$ being allocated there. There was a tendency for market analysis funding to decrease, by 2003 it was less than half of 2001 level. However fluctuations might be attributed changes in reporting by the implementing agencies; by 2003 they were indicating particular countries as beneficiaries in their reports to the database, rather than putting all activities under a category “DSU”, which does not show the exact beneficiaries.

Trade finance activities constituted 11% of total (72 million US\$). Public-private networking was 5% of total trade development activities in DSU, while e-commerce secured only 2.7 million US\$ in 2001-2003.

Bilateral agencies implemented 57% of all trade development activities during 2001-2003.

Business support services and institutions

The EC implemented the most activities (71% or 154 million US\$) for business support services and institutions in 2001-2003. Multilateral agencies together implemented 79% of total. The proportion of EC activities diminished over the years from 80% of total in this category in 2001 to 58% in 2003. The main EC project was 98.5 million US\$ project in 2001 - PROINVEST (an EU-ACP Partnership Programme for the Promotion of Investment & Technology Flows to the ACP Countries) with the objective of promoting investment and partnership agreements in the ACP countries, with priority for regional and sectoral approaches.

During the whole of 2001-2003, the EC implemented just six projects, all in or for ACP countries.

ITC implemented 6% (12.5 million US\$) of all business support activities in DSU in 2001-2003. Altogether 174 activities were carried out by ITC. UNCTAD covered 4% of all activities in this category, implementing projects worth 3.8 million US\$.

Among the bilateral agencies, Switzerland was the leader, implementing 9% of all projects in 2001-2003 to a value of 19.9 million US\$. This was for a single project in 2003, namely the Swiss Import Promotion Programme.

The USA spent 13.3 million US\$, of which 12.5 million in 2001 alone. This constituted 6% of the total.

Trade promotion strategy and implementation

The situation was quite the opposite in trade promotion where bilateral agencies were more active, implementing 85% of all activities during the three years. In 2001, they covered 100% of trade promotion technical assistance to the DSU; in 2002, multilateral agencies joined but with just 2% of the total, however by 2003 they were implementing 35% of all activities.

In this category the most important multilateral agent was again the EC. It implemented 14% of all trade promotion activities in 2001-2003 and carried out a 24.8 million US\$-worth project, the Risk Capital Facility in MEDA (Mediterranean region) countries.

The USA spent 106.9 million US\$ over the three years, implementing 59% of all projects in trade promotion in DSU and carrying out 31 activities. The biggest in 2001 was worth 70 million US\$ and was in industrial policy and administrative management with the objective of helping workers participate in gains from trade and protect their rights in trade related sectors, as well as supporting workforce skills development, worker rights, labour standards and suchlike.

Market analysis and development

The EC implemented 58% of all market analysis activities in DSU in 2001-2003, in only two activities; one in 2001 (38.5 million US\$ under the Special Framework of Assistance for

Traditional ACP Suppliers of Bananas) and the other in 2002 (41,4 million US\$ for the same purpose as in 2001).

Switzerland implemented 11 projects worth 5,8 million US\$ in agriculture, forestry etc. The USA spent 14.2 million US\$ for 13 projects, mainly in agriculture, and the Netherlands spent 10.5 million US\$ for two projects.

Trade finance

The number of activities in trade finance in 2001-2003 was evenly distributed among bilateral and multilateral agencies; however the value of the bilateral agencies' activities constituted 78% of all trade finance assistance in DSU. More than a third (36%) of the total was contributed by the UK in 2001, with one grant worth 25.9 million US\$ for the Business Linkages Challenge Fund.

Switzerland covered 19% of all trade finance activities in 2001-2003 (13.4 million US\$) in carrying out seven activities, while 13% were carried out by Canada (9.4 million US\$).

Almost all multilateral activities (21% of total) were implemented by the EC, which spent 15 million US\$ in 2001 and carried out two activities. One was for 3.4 million US\$ for the EIB Credit Line for micro-finance institutions and specialised funds or banks. The other was 1.5 million US\$ for "Test Cases on Commodity Risk Management: World Bank Trust Fund".

In terms of the number of trade finance activities – the ITC covered 44% (22 activities) of the total in 2001-2003, but for only 1% (834,000 US\$) of the trade finance budget.

Public-private sector networking and E-commerce

Out of 31,9 million US\$ for public-private sector networking activities, 21 million US\$ were spent in 2001. Most funding came from bilateral agencies, in particular Germany, which provided 24,6 million US\$ (77% of the total) for seven activities.

Some 12% (3,9 million US\$) of total networking activities were implemented by the ITC with 16 activities. The ITC also implemented 65% (1,8 million US\$) of all e-commerce activities in 2001-2003. The total value of e-commerce assistance in three years in DSU was 2,7 million US\$.

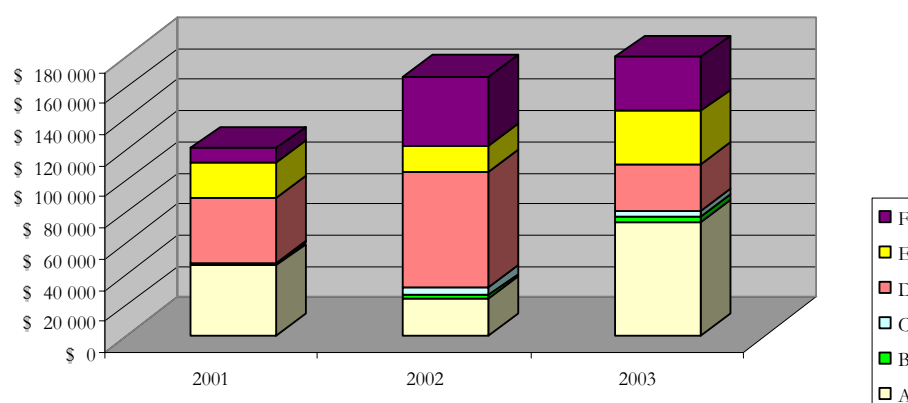
Europe

Trade development assistance in Europe grew from year to year; by 38% in 2002 compared to 2001 and by 7,5% in 2003. Total trade development assistance to Europe during the three years reached 466 million US\$.

Figure 27: Trade development technical assistance in Europe in 2001, 2002 and 2003 - US\$ thousand

Years	A- Business support services and institutions	B- Public-private sector networking	C- E-commerce	D- Trade finance	E- Trade promotion strategy and implementation	F- Market analysis and development
2001	\$ 45 056	\$ 1 055	\$ 940	\$ 41 639	\$ 22 778	\$ 8 984
2002	\$ 24 626	\$ 1 451	\$ 5 614	\$ 73 966	\$ 17 046	\$ 43 865
2003	\$ 73 048	\$ 4 174	\$ 3 279	\$ 29 501	\$ 34 393	\$ 34 674

Trade development in Europe in 2001-2003, US\$ thousand



The biggest share of technical assistance in trade development in Europe went to trade finance activities, with 145 million US\$ or 31% overall during the period. Half of the trade finance activities budget was spent in 2002, with 73.9 million US\$. The next most important category was business support services and institutions, which got around 30% of the total budget over the three years with 142.7 million spent. Activities under this category were especially high in 2003 when 73 million US\$ were spent in Europe.

Market analysis activities constituted 19% of total trade development assistance over the period, i.e. 87.5 million US\$. A further 74.2 million US\$ or 16% of budget went for trade promotion activities.

Trade finance

In trade finance, Europe received 13% of the world's total in 2001-2003, more than America (8%) and DSU (7%) received during the same period. Out of a total of 145 million US\$ allocated for trade finance in Europe, 76% was provided by bilateral donors. In 2001 and 2003 the

contribution of bilateral agencies was 100%; only in 2002 did multilateral agencies implement three activities, with a total value of 35 million US\$. Of these two were carried out by the EC with 14 million US\$ for Serbia & Montenegro to assist the restructuring of state/socially owned enterprises and provide credit to the SME sector, and 17.9 million US\$ for Ex-Yugoslavia States Unspecified with an additional credit facility for socially owned enterprises, assistance to the Kosovo Trust Agency, access for minorities to enterprise development assistance, agricultural and agro-processing credit, strengthening of public veterinary services etc.

The EC alone provided 22% of trade finance projects in value in 2001-2003.

Among bilateral agencies, the most active was Germany with 17 projects worth 45.6 million US\$, which constituted 31% of all activities' value in 2001-2003. Germany worked in countries like Serbia & Montenegro, Bosnia & Herzegovina, Turkey (in 2002) and Romania to promote SMEs, refinance sub-loans and partner banks etc.

The USA, with 29% (42.7 million US\$) of the total value of trade finance activities, was the second main bilateral agency in Europe in 2001-2003, implementing 60 projects.

The main beneficiaries in 2001-2003 were States of Ex-Yugoslavia Unspecified, which received 23,7 million US\$ in 2001 (17.9 million from the EC, as mentioned above), as well as Serbia & Montenegro which in the same year received 14 million from the EC (mentioned above) and 2.6 million US\$ from Japan, USA etc. Turkey in 2002 received 15.6 million US\$, most of it from Germany.

Business support services and institutions

Overall Europe received 12% of all business support activities in 2001-2003. Some 57.6 million US\$ were provided by bilateral agencies (40% of total) with 85 million US\$ coming from multilateral agencies (60% of total). The main multilateral agency active in business support was the EC (48% of total budget) with ten projects worth 68.7 million US\$: 15.8 million for the Tacis 2003 project in Russia to support the private sector and provide assistance for economic development, 10 million US\$ for a project in Serbia in 2003 for Strengthening Quality Management, Capabilities and Infrastructures etc.

IDA provided 13.3 million US\$ in 2001-2003 for business support activities in Europe. Of this, 10.4 million went as a loan for Serbia & Montenegro in 2003 for a Private and Financial Sector Adjustment Credit Project.

Bilateral activities decreased year by year. In 2001, bilateral agencies delivered projects worth 33.9 million US\$; in 2002 the total value of projects was only 8.8 million US\$, while in 2003 it was 14.7 million US\$. The most active among the bilateral agencies was the USA. During the three years, the USA implemented 33 projects to a total value of 29.1 million US\$. The USA's main activities took place in 2001, when the value of their support to projects reached 23.6 million US\$.

Russia was the main beneficiary among European countries of business support assistance. During the three years, Russia received 30.3 million US\$ (17.4 million US\$ in 2003). Serbia & Montenegro received 26.9 million US\$ during the same period, of which 24 million US\$ were received in 2003. Ukraine received 26.8 million US\$.

Market analysis and development

In 2001-2003 Europe received 87.5 million US\$ for market analysis and developing technical assistance. This constituted 11% of the world's total assistance in this category. 92% of assistance came from bilateral agencies. The USA implemented projects for 60.2 million US\$ (69% of total) during 2001-2003, with 106 projects altogether. Canada, Denmark, France and Sweden contributed from 3 to 3.9 million US\$ each while the EC implemented four projects for 5.7 million US\$ or 7% of total. The main beneficiaries of market analysis technical assistance were Russia (received 27.5 million US\$ in 2001-2003) and Serbia & Montenegro, which received 11.5 million US\$ during 2001-2003.

Trade promotion strategy and implementation

The sum of 74.2 million US\$ (6% of the total) was allocated for trade promotion TRTA in Europe in 2001-2003 and 80% of technical assistance was provided bilaterally. The United States alone provided 32.3 million US\$ and implemented 60 activities. Most of the USA's activities in value terms occurred in 2003, when the USA implemented projects worth over 17 million US\$. Denmark provided 12% of total activities in this category for Europe (8.8 million US\$).

The EC again was the most active among multilateral agencies, implementing 15% (10.9 million US\$) of all projects in 2001-2003 (multilateral agencies altogether implemented 20% of total trade promotion activities in 2001-2003). In 2003, the EC implemented a 4.5 million US\$ project "National Programme for Turkey: Fashion and textile cluster" – the biggest EC's project in this category.

Among the main beneficiaries in Europe in 2001-2003 were Croatia (9.7 million US\$), Poland (8.5 million US\$), Russia (9.2 million US\$), Serbia & Montenegro (9.1 million US\$).

Public-private sector networking and E-commerce

The sum of 9.8 million US\$ was allocated for e-commerce technical assistance in Europe in 2001-2003 (14% of world's total). Assistance was implemented almost equally by the EC and the USA. The EC carried out the Tacis project "E-skills for Russian SMEs, tourism development in Northwest Russia" in 2002. The USA had multiple e-commerce projects in different countries.

The value of networking activities in Europe rose during 2001-2003. In 2001 private-public networking activities were implemented for around 1 million US\$, whereas in 2003 their total value reached 4 million US\$.

The only multilateral agency active in Europe in public-private sector networking in 2001-2003 was ITC, which implemented 1% (96,000 US\$) of the total value of networking projects in Europe. The rest was implemented by the USA (4.6 million US\$ or 69% of total), Finland (1.2 million US\$ or 19%), Switzerland (679,000 US\$ or 10% of total) plus some small projects by France and Germany in 2002.

Conclusions

Overall 11% of trade development technical assistance was allocated to Europe (i.e. 466 million US\$ in 2001-2003). Bilateral agencies implemented 12% (318 million US\$) of all of their activities in Europe, while multilateral agencies accounted for 8% (147 million US\$). Most (68%) trade

development activities in Europe were conducted through bilateral agencies. Among them, the USA led, with 37% of all trade development activities in Europe or 173 million US\$. The leader among the multilateral agencies was the EC, with 26% of all trade development activities in Europe or 122 million US\$.

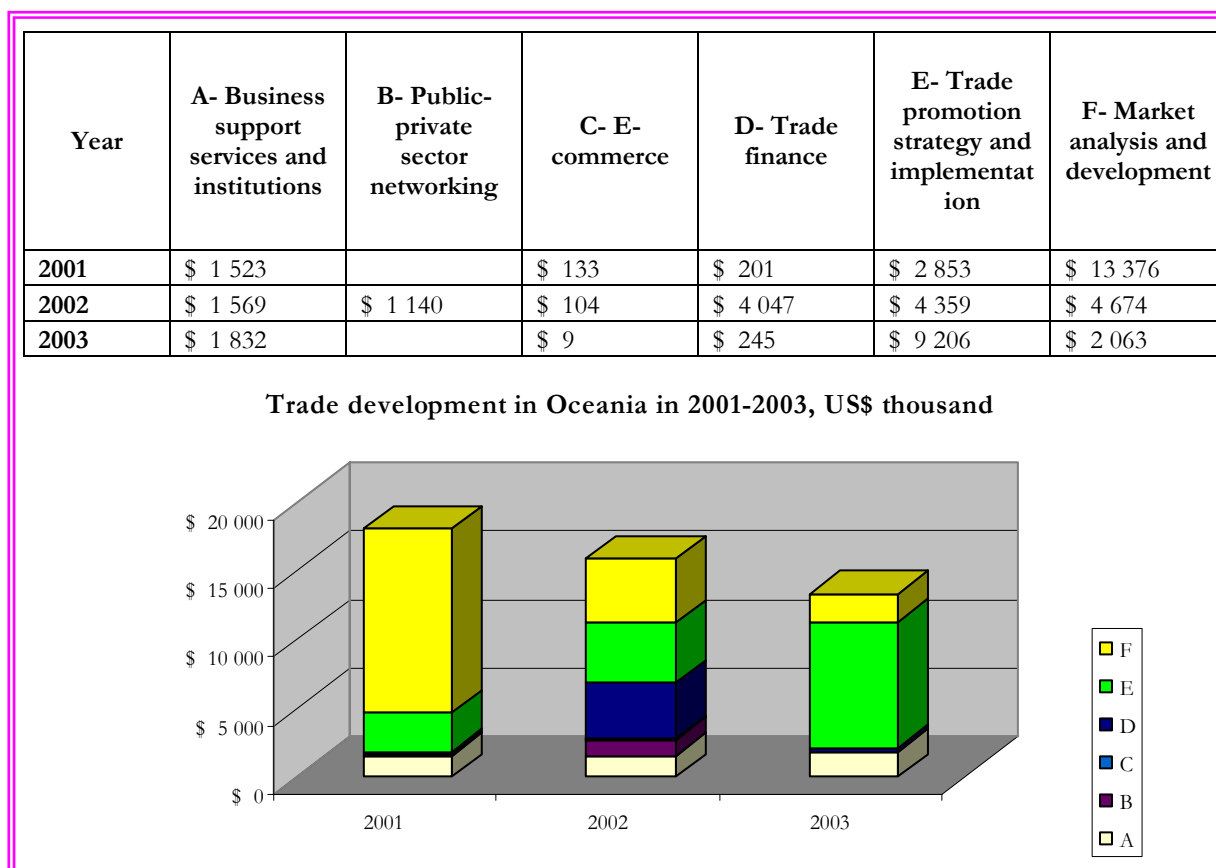
The main beneficiaries in Europe during 2001-2003 were:

- Serbia & Montenegro/FRY – 2% of the total or 85 million US\$.
- Russia – 2% of the total or 80.5 million US\$;
- Ukraine – 1% of the total or 38.5 million US\$;
- States Ex-Yugoslavia Unspecified – 1% of total or 33.9 million US\$;
- Bosnia & Herzegovina – 1% of total or 28.1 million US\$;
- Romania – 1% of the total or 28 million US\$;
- Turkey – 1% of the total or 25.5 million US\$;
- Croatia – 1% of the total or 25.1 million US\$.

Oceania

During 2001-2003, Oceania received 47.3 million US\$-worth of trade development technical assistance. This constituted 1% of world's total. By 2003, though, the level of assistance had decreased by -26% compared to 2001.

Figure 28: Trade development technical assistance in Oceania in 2001, 2002 and 2003 - US\$ thousand



Almost half of trade development TRTA for Oceania was for market analysis and development assistance (20.1 million US\$ or 42% of Oceania's total in 2001-2003). However assistance in that category had decreased by -85% in 2003 compared to 2001. The trade promotion strategy and implementation category was the only one for Oceania in which assistance increased every year, with a three-year total of 16.4 million US\$ (35% of total for Oceania). Business support services (with 4.9 million US\$), and trade finance (with 4.4 million US\$) were the next biggest trade development categories (10% and 9% of total respectively).

There was only one project in public-private sector networking in Oceania, it was in Papua New Guinea in 2002 and worth 1.1 million US\$, for private sector development program. Project implementation was by Australia.

Business support services to the 96% level were implemented by bilateral agencies and by New Zealand in particular (4.4 million US\$ in 2001-2003). As for multilateral agencies, there was only one UNDP project in Samoa in 2003; this was worth 200,000 US\$ and was for the Structural Adjustment Facility.

84% (3.7 million US\$) of trade finance TRTA was covered by an EIB loan (the only multilateral agency in this category) and was in 2002 for Samoa. 15% of trade finance activities were implemented by New Zealand.

New Zealand also implemented over half the trade promotion activities in Oceania in 2001-2003. The EC provided 5.4 million US\$ for such activities and implemented two fishery related projects and one tourism project.

88% of market analysis activities were covered by the EC, whose activities were at their peak in 2001. The EC provided 11.9 million US\$ for three fishery and fishing policy projects in Oceania.

UNESCAP implemented 100% of e-commerce projects in Oceania.

The main beneficiary in this region was Samoa, which received 4.8 million US\$ of TRTA in 2001-2003. New Guinea received 3.3 million US\$, and New Caledonia obtained 2.5 million US\$.