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**UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT**

**SUMMARY REPORT OF THE IF REGIONAL WORKSHOP  
PRE-DTIS SUPPORT FOR INCOMING LDCs IN THE IF PROCESS**

**Kigali, Rwanda, 18-21 October 2004**

UNCTAD/LDC/MISC/2004/7

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## I. BACKGROUND AND OBJECTIVE

1. The need for pre-DTIS<sup>1</sup> support for LDCs joining the IF<sup>2</sup> became evident from the first lessons learned from the pilot phase of the revamped IF – that widespread unawareness of the IF in the pilot countries at the launch and during the subsequent IF process posed a serious impediment to country ownership. This adversely affected subsequent follow-up and implementation of the recommendations for trade-related technical assistance emerging from the DTIS.

2. The underlying objective of the workshop was therefore to strengthen LDCs' capacity for ownership of the IF process, which is critical for successful implementation and the achievement of concrete results. The workshop provided a forum for sharing of knowledge and experiences between representatives of LDCs that have completed the DTIS and those about to embark on the IF process, the agencies and the donors.

3. It is in this context that UNCTAD, in close collaboration with the core IF agencies and the host country and with the support of donors, organized a Regional Workshop to support incoming LDCs in the IF process in Kigali, Rwanda, from 18 to 21 October 2004. The initial encouragement and support extended to UNCTAD by the members of the Integrated Framework Working Group (IFWG) to organize the Regional Workshop, in order to provide the first opportunity for countries entering the IF to share knowledge and experiences with those already active in the IF, reflected a shared conviction that this initiative would add value and a positive contribution to the performance of the IF in terms of concrete results on the ground.

### **Workshop participants**

4. The participation of two representatives from each LDC represented, one from the national Poverty Reduction Strategy Paper (PRSP) focal point and one from the national IF focal point, underscored the need for the IF process to work in tandem and close cooperation with the PRSP process or mechanisms to facilitate efforts to mainstream trade into national development strategies and/or poverty reduction strategies at the country level. The presence of representatives of IF partners, including donors, agencies and LDCs already exposed to the IF process, facilitated exchanges of practical lessons and best practices for better country preparations for IF management and implementation in the new countries, as well as generating ideas for the overall improvement of IF performance.

5. The LDC representatives came from the following countries: Angola, Cambodia, Chad, Guinea, the Lao People's Democratic Republic, Malawi, Mozambique, Rwanda, Sierra Leone, Tanzania, Uganda, Yemen and Zambia. The following donor representatives attended the workshop: Belgium, the United Kingdom's DIFD, the European Union, Finland, the Netherlands and USAID. All six IF core agencies (IMF, ITC, UNCTAD, UNDP, the World Bank and the World Trade Organization) participated. The full list of participants is in Annex<sup>o</sup>I of this report.

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<sup>1</sup> Diagnostic Trade Integration Study

<sup>2</sup> Integrated Framework for Trade-Related Technical Assistance

## II. SUMMARY OF DISCUSSIONS AND OUTCOME

6. The opening remarks by Rwandan Minister H. E. Manasseh P. Nshuti, Ministry of Commerce, Industry, Investment and Cooperatives, highlighted the benefits that the DTIS and the IF could bring to his country through increased trade and poverty reduction. He said that the IF had the means to identify and reduce trade distortions that primarily affected the poor.

7. The workshop discussions took place under four major areas: the IF process; trade and poverty, including mainstreaming of trade into national development strategies; country cases and national implementation; and IF capacity development and fund raising, including bilateral and multilateral financing. One day was dedicated to discussion of each of these four areas. The workshop programme appears in Annex II. The main points highlighted during the four discussions are summarized below.

### **The IF process**

8. The discussions were preceded by an introduction of the draft IF Manual in preparation by UNCTAD, which is a reference tool for new IF countries as well as all IF stakeholders. The Manual will facilitate better understanding of the IF and the role of different partners involved in the IF process. It is also designed to forge a common perception of the IF process among all IF partners and stakeholders about the IF's objectives, procedures and expected outcomes. This was welcomed by IF partners, particularly new countries.

9. With regard to the IF process, the governance structure and the main stages in the IF process were explained, including the roles of the different partners involved. The central issue in the discussions was how to promote national ownership of the IF process. The country's involvement in the preparation of the DTIS was viewed as essential for ownership. This includes drafting of the concept paper, drawing up of the terms of reference and the selection of the national consultants. In this connection, an LDC participant asked why the DTIS could not be undertaken by a national institution. It was also pointed out that the DTIS builds on what is already taking place in the country in terms of trade and development policies.

10. The capacity of the IF national focal point was considered an important factor in enhancing ownership. It was stressed that the IF national focal point needs to (a) gain the necessary exposure and analytical skills, (b) increase competencies through sharing of experiences, and (c) have its views heard in the Geneva IF process.

11. From the discussions, a clear need emerged to identify indicators for success and for assessing ownership and the elements that constitute genuine ownership. It was also suggested that the pre-DTIS activities should identify critical areas for empowering ownership. Although no definition was attempted, a number of common elements were repeatedly mentioned as important for genuine ownership. These were strong leadership and commitment, responsibility, accountability, the ability to make choices, and the presence of a decision-making authority. Institutional support at the IF focal point is necessary in order to empower capacity for ownership. It was also pointed out that ownership is closely linked to allocation of greater resources in the national budgetary processes.

12. IF Window II, as a temporary bridging mechanism for catalysing trade-related aid, received a lot of attention from LDC representatives eager to become more familiar with the existing modalities for accessing such funds. It was highlighted that project guidelines are too complex and disbursement procedures too slow to play an effective bridging role leading to donors' financing of the DTIS Action Matrix. Participants called on UNDP to accelerate the release of funds once project approval has been received from the Local Project Advisory Committee (LPAC).

13. The DTIS should be country-specific, although the broad issues covered are generic. For example, the sector analysis differed from country to country, depending on a country's endowments and peculiarities. In this regard, it was observed that the DTIS should be a flexible document and be synchronized with the PRSP process to the extent possible. Ideally, the DTIS should be completed six months prior to the PRSP.

### **Trade and poverty**

14. The discussions under this topic focused on the links between trade and poverty and the role of the IF in mainstreaming trade into national development strategies. The following points were brought up.

15. A political commitment is needed in order to mainstream trade into national development strategies. Good governance should be maintained throughout the entire process. Also, good governance should be handled carefully, since it can affect politics, future competitiveness and growth prospects. While good governance is important, it is not sufficient to explain a number of success stories involving increases in productivity and competitiveness in some countries. Entrepreneurship promotion has also played a crucial role in these countries. The difficulties surrounding reform and policy conditionalities attached to financial access and debt relief under the PRSPs and their implications for mainstreaming trade were also highlighted.

16. On the trade and poverty relationship, it was brought out that an increase in export growth does not automatically lead to poverty reduction. Evidence existed that would indicate the fact that export growth could lead to an enclave, where the benefits from export and economic growth are enjoyed by only a small share of the population. It was argued that the evidence of the relationship between trade liberalization and poverty is mixed. Trade liberalization should not be the only trade strategy included in the DTIS, but it should be part of a broader strategy that aims at fostering and mainstreaming trade with the ultimate goal of reducing poverty.

17. The national development plan needs to include both an industrial and a trade policy. Every DTIS should be country-specific. A "one size fits all" analytical approach cannot be applied to countries that have different needs, factors of production, resources and levels of development. The DTIS should specifically look at policies designed to provide jobs and productive capacities in the rural sector, where the majority of the poor are concentrated.

18. The IF cannot be rigid, and the findings and recommendations of the DTIS need to be adapted to a country's changing economic and social conditions.

## Country cases and lessons learned

19. Country case studies were presented by Guinea, Yemen and Cambodia to share concrete experiences and lessons drawn from IF national implementation. On a conceptual level, the cases led to a discussion of what the IF really meant. While the IF is traditionally defined by its various procedures and steps, which eventually lead to trade capacity development activities, it was also recognized as more of a management tool and as a catalyst for national trade policy dialogue with no strict timelines. This requires a substantial proactive role on the part of the country in creating and broadening a national trade constituency.

20. The IF as such is about building capacity in the long term and contributing to an enabling environment for the evolution of more effective and relevant trade and development strategies. In this context, the IF should be seen as a permanent mechanism for creating national commitment, fostering long-term close relationships with donors, and identifying strengths, weaknesses, opportunities and challenges in the economy in close consultation with the private sector. IF success in the design and implementation of a trade and poverty reduction strategy should enhance the support of all stakeholders.

21. Cultivating donor relations was seen as a process that should start at the earliest stages of the IF process and should never cease. Relationships with the private sector and civil society were also seen as very important and should not be limited to traditional institutional representatives in the capitals, but should also include grassroots NGOs, farmers, entrepreneurs and company managers. Fostering relations with regional trade partners was also seen as valuable for reaping maximal benefits from opportunities in regional trade networks. Multi-partner coordination is complex, and thus there is a need for better information exchange to minimize the risk of unduly high expectations.

22. Discussions on national implementation and management of the IF drew on the case studies specifically with respect to post-DTIS follow-up, including resource mobilization procedures including access to Window II of the IF Trust Fund, involvement of IF national focal points in the Geneva IF management processes, strengthening of the IF secretariat at the national focal point and the role of the donor facilitator.

23. Several points related to these issues were made. With regard to the duration of the DTIS National Validation Workshop, it was generally felt that the ideal length was three days. Regarding resource mobilization for implementation of the Action Matrix, concern was expressed about delays in disbursement for projects qualifying for Window II of the IFTF. It was suggested, and UNDP agreed, that it should be possible to release funds within 30 days of LPAC project approval and submission. On the general subject of post-DTIS resource mobilization, LDC participants recalled their Trade Ministers' call at UNCTAD XI in São Paulo for an international conference for resource mobilization. A related issue was the need for donors to mainstream trade into their development programmes, which could be facilitated by promoting dialogue between the development and trade communities or between trade and aid/finance ministries. The capacity strengthening of the IF national focal point was found to be critical for national coordination and indeed for enhancing country ownership of the IF process. Strengthening of human resources at the focal point was necessary.

24. In sum, the lessons drawn from the country cases point to the following:
- IF has become a catalyst and motivating factor for trade policy dialogue and action at the country level.
  - Indicators of country ownership and of success for the IF need to be identified.
  - There is a need to bring together all IF national focal points once a year to take stock and exchange experiences regarding IF implementation.
  - Post-DTIS momentum could be lost due to delays and complex procedures for access to Window II of the IF Trust Fund resources.
  - National implementation requires a proactive role on the part of government and avoidance of overdependence on the donor facilitator.
  - A strong national IF secretariat/focal point is an important factor in country ownership.
  - National focal points should be more closely involved in the Geneva IF governance and management bodies, bringing local realities to the attention of the latter.
  - Trade should be mainstreamed into donor development programmes so that the trade sector is not marginalized or overlooked in sectoral allocation of resources.
  - Donor bilateral trade programmes should be aligned with TRTA priorities recommended in DTIS Action Matrices.
  - The role of agencies in project execution vis-à-vis national execution should be clarified.
  - DTIS Action Matrix funding requires continuous engagement with donors; CG meetings and roundtables by themselves are formal events that merely institutionalize relations between country and individual bilateral and multilateral donors.
  - All stakeholders (public, private, civil society, academia, parliamentarians, etc.) should be given equal opportunity to play their respective roles.

### **IF capacity development and fund raising**

25. The last day of the workshop was dedicated to a discussion of trade-related technical assistance funding and project formulation, followed by a final roundtable to take stock of participants' evaluation of the workshop and their recommendations.

26. The stage for the discussions on funding was set by presentations by three donor representatives – from the European Union, the World Bank and UNDP – followed by a very lively interactive debate demonstrating the importance attached to this important subject. The presentations highlighted the message that, while funding is available, there are conditions to be satisfied, sometimes complicated procedures to be followed, and bottlenecks and delays to overcome before access can be established. The issue of political commitment at the highest level in beneficiary countries, demonstrated by timely implementation of their commitments and the necessary reforms, was stressed.

27. In the context of funding for TRTA, the importance of a holistic approach to trade and mainstreaming in national development strategies was stressed. It was indicated that efforts were being made by donors to mainstream trade and allocate more resources, but that national allocation would have to be driven by the countries in their consultations with the donors. In particular, it was indicated that budgetary support was emerging as an important trend. An example cited was that of the European Union, which allocates 30 per cent of all aid to African, Caribbean and Pacific (ACP) countries through budgetary support. However, it was

indicated that very often budgetary support disbursements are linked to the attainment of certain performance indicators, which are very often linked to the social sectors – this because they are easier to measure and because they are covered by PRSPs. It was recommended that some trade and private-sector indicators be identified and included in budgetary support performance indicators as a way to raise the profile of trade and promote closer examination of trade and private-sector development challenges. In addition, it was argued that a more structured and coordinated approach by donors through a sector-wide approach could be helpful. Although, as it was mentioned by Cambodia, trade cuts across many sectors, and this should be bared in mind.

28. Another issue highlighted was the importance of proactive involvement by agencies, particularly those with a field presence, in order to raise the issue of trade on the political agenda and sensitize ministries such as Finance and Planning to the importance of trade so as to ensure its reflection in the budgetary process.

29. The importance of close interaction with the Ministries of Finance and Planning and donors throughout donor programme cycles was considered essential in ensuring that TRTA needs found their priority in the funding allocations. It was emphasised that CGs and RTs were one-day concluding meetings at the end of a long (three-to-five-year) cycle of consultations and that if trade was to find its way onto the agenda of these discussions, it had to become part and parcel of the complete process.

30. A presentation about UNDP's regional trade project was made in order to identify ways and means of building synergies between the project and the IF. It was stressed that regional programmes were important in Africa, as individual countries alone were too weak in handling some of the common challenges. The importance of linking trade and poverty and promoting development from a human development dimension was emphasized.

31. It was generally argued that all efforts with the IF should be directed towards addressing supply-side constraints and more competitive production. Early sensitization of local donors to the IF was considered important. It was noted that the workshop at hand had been helpful in sensitizing donors and stakeholders in Rwanda. It was also indicated that some activities, such as reinforcing the capacity of the focal points, could be undertaken without waiting for the DTIS.

32. The discussion on TRTA funding was followed by two presentations on project development, management and implementation, which were considered a major area of concern in the IF process.

33. Issues related to project formulation, project approval, project operationalization, procurement and audit were presented. It was explained that when the terms of reference for Window II of the IF trust fund were agreed by the IFWG, it had been agreed that UNDP guidelines and procedures for project management and approval would be applied. Since the process for approving projects through LPACs was being facilitated by the Governments, at times it had led to inconsistency with the guidelines owing to lack of familiarity with the UNDP guidelines. This had resulted in bottlenecks and slowed down the process.

34. The need to empower countries to take leadership and ownership of the projects was stressed. In the course of the discussions, it became clear that there was a need for clarity and

good understanding of the rules and procedures governing Window II project formulation, approval and funding disbursements.

35. In the discussion surrounding formulation, approval and implementation of projects to be funded from Window II, the importance of using the DTIS and the action matrix to guide the identification of priority needs was stressed. It was argued that projects emerging from this process should not be subjected to rigid formalities with respect to project presentation, but rather be handled with more flexibility and speed. All agencies were called on to be more flexible with their administrative requirements regarding project formulation. It was stressed that the important thing was effective and efficient delivery of concrete, meaningful and sustainable projects. The need to ensure that resources were not eaten up by the process was highlighted. In the case of Window II, which is meant to provide fast-track funding, it was agreed that delays of as long as one year would jeopardize the credibility of the IF and weaken the national focal points and their commitment.

36. The discussions highlighted the tension between fast-track project development using resources from Window II to get to concrete results and certain legal and administrative requirements designed to ensure transparency.

37. It was noted that efforts needed to be made regarding clarification of the procedures governing Window II before countries proceeded with preparing projects and going through national approval processes. While the concern for transparency was shared, it was also recognized that there was a need to revisit the procedure in order to make it more flexible and efficient.

38. The secondment of a well-trained advisor to help with accessing Window II, including project development, setting up the approval committee, and so forth was proposed. This would reduce the burden on the IF focal points. The idea of the importance of donors aligning their TRTA to the DTIS and flexibility in their particular requirements was also suggested.

39. It was emphasized that national commitment and enthusiasm were limited in duration and would run out in the absence of concrete results, and a lack of results would lead to negative publicity.

### **III. CLOSING AND CONCLUSION**

40. In closing, it was agreed that the workshop had clearly served its purposes of providing a forum for learning about the IF process through sharing information on the IF at all levels with all partners, exchanges of experiences and, most importantly, providing the opportunity for representatives of donors, agencies and LDCs to interact in an informal setting with a view to highlighting problems and proposing solutions. These opportunities were taken seriously by all parties, as was demonstrated by a very proactive and results-oriented discussion leading to a set of specific and concrete recommendations. At the closing, a summary of conclusions and recommendations was presented, discussed and amended. These are presented in Annex III of this report, which was circulated at the end of the workshop.

## **Annex I**

### **List of Participants**

#### **REPRESENTATIVES**

##### **ANGOLA**

Ms. Filomena PEREIRA DE SOUSA      Magistrate Assistant, Cabinet of International Cooperation, Ministry of Commerce, Luanda

##### **CHAD**

Mr. Djimadoumbaye MADIBAYE,      Chief, Division of External Commerce, Ministry of Commerce, N'Djamena

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Mr. Jollam Innocent BANDA      Deputy to the IF Focal Point, Ministry of Trade and Industry, Lilongwe

Mr. Hope CHAVULA      Ministry of Economic Planning and Development, Lilongwe

##### **MOZAMBIQUE**

Mr. Luis Eduardo SITOE      National Director for International Relations, Ministry of Industry and Trade, Maputo

Mr. Jonas TEMBE      Economist, Ministry of Finance and Planning, Maputo

##### **RWANDA**

Mr. Henry Kanyesiime GAPERI      Permanent Secretary, Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives, Kigali

Mr. Albert CYABUKOMBE      Chief, Division of Customs Operations, Project Manager of ASYCUDA, Kigali

Mr. Antoine RUVEBANA      Director of Trade and Investment, President's Office, Kigali

Mr. Charles RUTAGENGWA      Rwanda Bureau of Standards, Kigali

Mr. Théogene NGIRUMPATSE      Director General for Economic Affairs, Prime Minister's Office, Kigali

Mr. David BUCAKARA      Director of Extension, Ministry of Agriculture, Kigali

Mr. Patrick GIHANA	Ministry of Finance and Economic Planning, Kigali
Mr. Justin NSENGIYUMVA	Director of Trade, Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives, Kigali
Mr. Vincent GAKINDI	Deputy Director of Foreign Exchange Inspection and Balance of Payments, National Bank of Rwanda, Kigali
Ms. Agnes KANYANGEYO	Rwanda Revenue Authority, Kigali
Ms. Athanasie MUKESHIYAREMYE	Head of Standards Development Department, Rwanda Bureau of Standards, Kigali
Mr. Alphonse KAYITARE	Ministry of Foreign Affairs and Cooperation, Kigali
Ms. Cleophas KABASIITA	Rwanda Investment, Export Promotion Agency, Kigali
Mr. Emmanuel WERABE	Rwanda Office of Tourism and National Parks, Kigali
Ms. Peace BASEMERA	Deputy Director of Trade, Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives, Kigali
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Ms. Angélique UMULISA	IF Liaison Officer, Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives, Kigali
Mr. James FOSTER	Consultant, Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives, Kigali
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Mr. Innocent GIHANA	Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives, Kigali
Ms. Léocadie MUKAKABANO	Ministry of Woman and Gender Promotion, Kigali
Mr. Léonard RUGWABIZA	Ministry of Finance and Economic Planning, Kigali
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Mr. Tim MUZIRA	USAID
Mr. Andy KARAI	USAID

## RESOURCE PERSONS

Mr. Georges CHAPELIER	Consultant, UNDP
Mr. Mohamed Said FOFANA	National Director for Commerce and Competition, IF Focal Point in Guinea, Conakry
Mr. Nagib HAMIM	Advisor to the Minister of Industry and Trade, IF Focal Point in Yemen, Sana'a
Ms. Valentine RUGWABIZA	Ambassador, Permanent Representative of Rwanda to the United Nations, Geneva
Mr. Siphana SOK	Secretary of State, Ministry of Commerce, IF Focal Point in Cambodia, Phnom Penh

## **CIVIL SOCIETY, PRIVATE SECTOR AND ACADEMIA**

Mr. Claude BARIHUTA	National University of Rwanda, Kigali
Mr. John Bosco KALISA	Rwanda Private Sector Federation, Kigali
Mr. Papias MUSAFIRI	Dean, Faculty of Management, Kigali Institute of Technology, Kigali

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Mr. Habib OUANE	Director, Special Programme for LDCs, Geneva
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Ms. Masoumeh MALMBERG	Economic Affairs Officer, Special Programme for LDCs, Geneva
Ms. Lisa BORGATTI	Research Expert, Special Programme for LDCs, Geneva
Mr. Lionel MARTELLET	Project Expert, Special Programme for LDCs, Geneva
Ms. Corazon ALVAREZ	Administrative Assistant, Special Programme for LDCs, Geneva

## **ASSISTANTS, GOVERNMENT OF RWANDA**

Ms. Harriet BATETA
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Ms. Anastasie MUJAWAMARIYA
Ms. Vénérande MUKABUGINGO
Ms. Généreuse MUKAMUSONI
Mr. Jean Damascène SENDANYOYE

## **Annex II**

### **Work Programme**

#### **DAY 1: IF Process**

The first day of the workshop will be devoted to explanations of the IF process by the IF Core Agencies, which have been entrusted with the day-to-day management of the IF process.

#### **Chairperson:**

Ms. Valentine RUGWABIZA, Ambassadeur, Représentant Permanent, Geneva

#### **Opening (9:00 – 9:40)**

- Mr. Habib Ouane, Director, Special Programme for Least Developed, Land-Locked and Island Developing Countries, UNCTAD
- Mr. Machara Kamau, UNDP resident representative and UN resident coordinator, Rwanda
- Prof. Manasseh P. NSHUTI, Minister, Ministry of Commerce, Industry, Investment and Cooperatives

#### **Break (9:40 – 10:15) - Press Briefing**

#### **Session 1: Introduction of the workshop and the Pre-DTIS concept (10:15 – 11:15)**

- Mr. Marcel Namfua, IF focal point, UNCTAD – Background to the concept of Pre-DTIS support; organization of the workshop
- Mr. George Chapelier, Consultant – Presentation of the draft IF manual

#### **Session 2: Overview of the IF process (11:15 – 12:15)**

- Presentation by Ms. Annet Blank, Counsellor, Development Division Head, LDC Unit, WTO/IF Secretariat, Geneva

Floor open for discussion.

#### **Lunch (12:15 – 14:00)**

#### **Session 3: Country-level IF process, DTIS (14:00 – 15:30)**

- Presentation by Mr. Leendert Solleveld, International Trade Department, World Bank

Floor open for discussion.

**Break (15:30 – 16:00)**

**Session 4: Interactive debate with the representatives of the IF agencies (16:00 – 17:00)**

The session will assist participants in understanding:

- The background to the Pre-DTIS Support in the IF process
- What the IF is and is not
- The different stages/phases in the IF process and the roles of different IF partners
- How the IF process promotes the principle of country ownership
- How the IF country and international processes promote national ownership

**DAY 2: Trade and Poverty**

This session will include presentations of views and experiences regarding mainstreaming trade into national development strategies. Several issues will be looked at and questions raised. We will hear about pro-poor growth and development strategies from the representatives of Finland, the European Union, the World Bank, UNDP and UNCTAD.

**Chairperson (morning):**

Mr. Leonard Rugwabiza, Strategic Planning and Poverty Reduction, Rwanda

**Session 1: Introduction to the concept of mainstreaming trade into national development strategies (9:00 – 10:15)**

- Mr. Heikki Haili, Counsellor, Ministry of Foreign Affairs, Helsinki, Finland
- Mr. Andrea Nicolaj, European Commission, DG Trade, Brussels
- Mr. Leendert Solleveld, Advisor, Trade Department, World Bank
- Mr. David Luke, Senior Advisor, Trade Competitiveness and Negotiations, UNDP, Geneva

**Session 2: Linkages between trade and poverty – a development approach (10:15 – 11:15)**

- Presentation by Ms. Lisa Borgatti, Associate Expert, UNCTAD

Floor open for discussion.

**Break (11:15 – 11:45)**

### **Session 3: Linkages between trade and poverty (11:45 – 12:30)**

- Presentation by Mr. John McGrath, Managing Consultant, DFID

Floor open for discussion.

### **Lunch (12:30 – 14:00)**

#### **Chairperson (afternoon):**

Mrs. Eleanor Fuller, Policy Analysis, International Trade Department, DFID, London

### **Session 4: How to mainstream trade into national development strategies/PRSPs: relevant lessons (14:00 – 15:30)**

- Presentation by Mr. Max Von Bonsdorff, Economic Advisor, Department for Development Policy, Ministry of Foreign Affairs, Helsinki, Finland
- Presentation by Mr. Leendert Solleveld, International Trade Department, World Bank
- Presentation by Mr. Siphana Sok, Secretary of State, Ministry of Commerce, Cambodia (video projection)

Floor open for discussion.

### **Break (15:30 – 16:00)**

### **Session 5: Continuation of discussions in an interactive debate (16:00 – 17:00)**

## **DAY 3: Country Cases and National Implementation**

The day will be dedicated to a discussion of national implementation and management of the IF. There will be three case studies, followed by presentations on the role of stakeholders: role of coordination and role of donor facilitator.

#### **Chairperson:**

Mr. Luis Eduardo Siteo, National Director for International Relations, Ministry of Industry and Trade, Maputo, Mozambique

### **Session 1: Country case studies (9:00 – 12:15)**

- Yemen Country Case Study – Presentation by Mr. Nagib Hamim, Advisor to the Minister of Industry and Trade, IF Focal Point in Sana'a, Yemen **(30 minutes)**

### **Questions and answers (30 minutes)**

- Guinea Case Study – Presentation by Mr. Mohamed Said Fofana, Director, trade and competition, IF Focal Point in Guinea, Conakry **(30 minutes)**

**Questions and answers (30 minutes)**

**Break (11:00 – 11:15)**

- Cambodia Country Case Study – Mr. Siphana Sok, Secretary of State, Ministry of Commerce, IF Focal Point in Cambodia, Phnom Penh **(30 minutes)**

**Questions and answers (30 minutes)**

**Lunch (12:15 – 14:00)**

**Session 2: National implementation and management (14:00 –15:30)**

- Presentation on the Role of Stakeholders by Mr. Siphana Sok, Secretary of State, Ministry of Commerce, IF Focal Point in Cambodia, Phnom Penh,
- Presentation on the Role of Coordination by Mr. Patrice Chiwota, Policy Specialist at the Bureau for Development Policy, UNDP, New York
- Presentation on the Role of Donor Facilitator by Ms. Helena McLeod, Regional Trade and Integration Advisor, DFID, Pretoria, South Africa

Floor open for discussion.

**Break (15:30 – 15:45)**

**Session 3: Discussions in an interactive debate – stocktaking of lessons learned and best practices**

**DAY 4: IF Capacity Development and Fund Raising**

The morning will be dedicated to a discussion of TRTA funding and project formulation, followed by a final roundtable to take stock of participants' evaluation of the workshop and their recommendations. The workshop will be closed before lunch, and the official launch of the IF Rwanda will be in the afternoon.

**Chairperson:**

Mr. David Luke, Senior Advisor, Trade Competitiveness and Negotiations, UNDP, Geneva

**Session 1: TRTA funding (9:00 – 10:00)**

- Mr. Andrea Nicolaj, European Commission, DG Trade **(10 minutes)**
- Mr. Leendert Solleveld, Advisor, Trade Department, World Bank **(10 minutes)**
- Mr. Lamin Manneh, Senior Regional Programme Advisor, Regional Bureau for Africa, New York **(10 minutes)**

Floor open for discussion **(30 minutes)**

**Session 2: Project development and implementation (10:00 – 11:00)**

- Mr. Patrice Chiwota, Policy Specialist at the Bureau for Development Policy, UNDP, New York **(15 minutes)**
- Mr. Francesco Geoffroy, Chief, Office for Interregional Coordination, Division of Technical Cooperation Coordination, Geneva **(15 minutes)**

Floor open for discussion **(30 minutes)**

**Break (11:00 –11:15)**

**Final roundtable: Evaluation of the workshop and recommendations - an interactive debate (11:15 – 12:15)**

**Chair:** Mr. Habib Ouane, Director, Special Programme for LDCs, UNCTAD, Geneva

**Co-chair:** Mr. Henry Gaperi Kanyesiime, Permanent Secretary, MINICOM, Rwanda

Closing (12:30)

**Lunch**

**Official Launch – IF Rwanda (14:00)**

## **Annex III**

### **Conclusions, Recommendations and Follow-up**

- The IF is a framework and a management tool. It also provides for an enabling trade environment within a holistic framework. The process should culminate in trade mainstreaming and in concrete trade capacity development results.
- Country ownership is critical to the success of the IF, which requires strong leadership and commitment on the part of the LDCs.
- Pre-DTIS support should identify indicators for ownership as well as for success. Stakeholders should be made aware of these indicators in order to manage expectations and assist in the evaluation of results.
- Every DTIS should be country-specific, since countries have different needs and factors of production.
- DTIS findings and recommendations, while serving as a basis for trade mainstreaming within national development plans and with Poverty Reduction Strategy (PRS), are also becoming a catalyst for national trade policy dialogue.
- Institutional support, particularly at the IF national focal point level, is crucial not only for its coordination role but for empowering capacity for ownership. It is recommended that ways and means be identified for providing an international IF advisor at the outset of the IF process, for a period of 1 to 2 years, to strengthen the capacities of the national IF focal points.
- The IF is not structured to deal with problems related to the demand side but addresses supply-side constraints. Factors relating to the external environment, such as market access, among others, are subjects best addressed in multilateral trade negotiations. However, the DTIS analysis and recommendations could serve as a basis for identifying national negotiating objectives and interests in multilateral and regional trade negotiations.
- The creation of IF regional hubs, through secondments by agencies and donors, is recommended to serve as a resource for knowledge and support for IF focal points. In addition, a regional gathering of the IF focal points on a yearly basis is recommended in order to monitor progress and continue to exchange experiences.
- Trade distortions (especially those related to subsidies) fall on the poor and need to be tackled.
- Trade needs to be mainstreamed into donor-development programmes. There is also a need to include trade and private-sector indicators in the budgetary support to ensure trade mainstreaming in national development strategies. Furthermore, in the consultation process prior to the preparation of the medium-term expenditure framework, efforts should be made to reflect trade-related technical assistance needs.
- Slow disbursement procedures and complex Window II project guidelines adversely affect the momentum in post-DTIS follow-up to the TA Action Matrix.
- The issue of governance is extremely important for trade policy success.

- Trade liberalization should be seen as only one aspect to be analysed in the DTIS, as trade and its relationship to poverty reduction are much broader than trade liberalization.
- The IF matrix needs to be periodically evaluated according to the countries' evolution and changes in local situations. The results of such evaluations need to be reflected in the budgetary preparatory processes.
- Donors' actions need to be more coordinated and responsive to countries' needs as reflected in the Action Matrix.
- Governments should take a proactive approach in translating national action matrices into concrete technical assistance projects and should pursue fund raising through close consultations with donors.
- In donors' programming cycles, it is recommended that the IF focal point be involved in the consultations so as to ensure that trade-related needs are reflected.
- The IF Manual is welcome as an important reference point for new IF countries and all countries and stakeholders participating in the IF.

### **Follow-up**

- DTIS terms of reference should be sufficiently flexible to take account of each country's unique development characteristics. They should not be "one size fits all". The terms of reference should be developed in close consultation with the country to ensure national ownership.
- DTIS should ensure consistency and coherence between its analysis and the broad macro-economic targets within the PRSP.
- Pre-DTIS support should be made available ahead of the launch of the DTIS to ensure (a) that all stakeholders become aware of the IF process and therefore buy into the IF; and (b) the strengthening of the IF focal point. Future pre-DTIS support should be focused on both the country and regional levels.
- National ownership would be enhanced by connecting the Geneva IF process with the IF national focal points. This should be achieved, *inter alia*, through (a) participation by national focal points in the meetings of IF working groups and the IF steering committee; and (b) using modern IT techniques to promote continuous dialogue with national focal points.
- In order to keep the momentum in the post-DTIS follow-up, there is an urgent need to (a) streamline procedures for approval of IF projects to be funded by the IF Trust Fund; (b) train IF national focal points and UNDP local offices in the use of IF Trust Fund resources; and (c) have disbursement of funds from Window II take place within 30 days following submission of projects approved by the Local Project Advisory Committee (LPAC).
- There is an urgent need to sensitize both the trade and development communities at the highest level to ensure the mainstreaming of trade into donor development programmes and promote the dialogue between Finance/Planning and Trade Ministries and the private sector at the country level. This should help enhance

information flows between donor capitals and their country representatives as well as provide better coordination of donors' programmes.

- National focal points require strengthening, including through the use of incentives and capacity for trade policy analysis.