

### PAGE 4: B.1) ABOUT YOU

Q1: COUNTRY / CUSTOMS TERRITORY	ITALY
Q2: INTERNATIONAL ORGANIZATION	Directorate General for Development Cooperation,
Q3: YOUR CONTACT DETAILS	
Name:	Guglielmo
Position	Giordano
Ministry/Organization	Ministry of Foreign Affairs and International Coperation
Email Address:	guglielmo.giordano@esteri.it
Q4: CONSULTATION (Other ministries/agencies consulted in preparing this questionnaire reply):	UNIDO

#### PAGE 6: C.2) YOUR AID-FOR-TRADE STRATEGY

Q5: Do you have an Aid- for-Trade strategy?	No

## PAGE 7: C.2) YOUR AID-FOR-TRADE STRATEGY

Q6: Has your strategy changed since 2012?	Respondent skipped this question
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#### PAGE 8: C.2) YOUR AID-FOR-TRADE STRATEGY

Q7: Why has your strategy changed ?(Please choose no more than 5 options)	Respondent skipped this question
Q8: Additional information.	Respondent skipped this question

## PAGE 9: C.2) YOUR AID-FOR-TRADE STRATEGY

Q9: How has your Aid-for-Trade spending changed since 2012?	No change
Q10: Additional information.	Respondent skipped this question
Q11: How do you expect your Aid-for-Trade spending to change in the next 5 years?	Between 0-10% increase
Q12: Additional information.	Respondent skipped this question
Q13: Can you provide detailed information on past or planned future Aid-for-Trade spending?(You may tick more than 1 box)	Unsure
Q14: Additional information.	Respondent skipped this question
Q15: What information about other donors' Aid-for- Trade would you find helpful in planning your own assistance?(You may tick more than 1 box)	Links to current global strategy, Links to current regional strategy, Links to current national strategy

## PAGE 10: C.2) YOUR AID-FOR-TRADE STRATEGY

216: How has your Aid for Trade facilitation spending changed since 2012?	No change
Q17: Additional information.	Respondent skipped this question
Q18: How do you expect your Aid for Trade facilitation spending to change in the next 5 years?	Increase (0-10%)
Q19: Additional information.	Respondent skipped this

PAGE 11: C.2) YOUR AID-FOR-TRADE STRATEGY

Q20: Looking ahead, what changes do you expect to your Aid-for-Trade strategy in the next 5 years? (You may tick more than 1 box)	More focus on private sector development, More focus on trade facilitation,
	Specific focus on implementation of the WTO Trade Facilitation Agreement
	Alignment with the post-2015 development agenda
	, More focus on regional integration
Q21: Additional information.	Respondent skipped this question

## PAGE 13: D.1) TRADE COSTS

Q22: How important are trade costs for the economic integration and development of developing countries and LDCs?	Important
Q23: Additional information.	Respondent skipped this question
Q24: For MERCHANDISE GOODS: What are the most important sources of trade costs for the export	Border procedures (trade facilitation),
of merchandise goods from developing countries?	Tariffs, fees and other charges,
(You may tick more than one box)	Non-tariff Measures (including standards),
	Transport infrastructure,
	Network infrastructure (ICT, power, telecoms)
Q25: Additional information.	Respondent skipped this question
Q26: For SERVICES: What are the most important sources of trade costs for the export of services from developing countries? (You may tick more than 1 box)	Network infrastructure (ICT, power, telecoms),
	Non-recognition of professional qualifications,
	Poor regulatory environment for services,
	Low skills levels in service sectors
Q27: Additional information.	Respondent skipped this question

# **Q28: Does your Aid-for-Trade strategy specifically** Unsure address the issue of trade costs?

#### PAGE 14: D.1) TRADE COSTS

Q29: Where in your Aid-for-Trade strategy is the issue of trade costs addressed? (You may tick more than 1 box)	Respondent skipped this question
Q30: Additional information.	Respondent skipped this question

## PAGE 15: D.1) TRADE COSTS

Q31: How is the issue of trade costs reflected in your Aid for Trade programming? (You may tick more than 1 box)	Multi-year country strategies, In-country projects and programmes
Q32: Additional information.	Respondent skipped this question

#### PAGE 16: D.1) TRADE COSTS

Q33: In which regions do you provide Aid-for-Trade support to reduce trade costs? (You may tick more than 1 box)	North Africa and the Middle East
Q34: Provide web links to programmes you wish to showcase:	Respondent skipped this question

PAGE 18: E.1) SUPPORTING IMPLEMENTATION OF THE TRADE FACILITATION AGREEMENT

Q35: What difficulties, if any, do you expect partner	Lack of information on funding opportunities,
countries to face in securing support to implement the Trade Facilitation Agreement, when adopted?	Accessing the necessary expertise,
(You may tick more than 1 box)	Ensuring Trade Facilitation Agreement implementation is a priority in national development planning documents
	National coordination and demonstration of political will for Trade Facilitation Agreement reform
	,
	Problems in formulating requests
Q36: Additional information.	Respondent skipped this question
Q37: How do you envisage programming Trade Facilitation Agreement implementation support, when adopted ?(You may tick more than 1 box)	As part of on-going national programmes offering support for Trade Facilitation Agreement implementation
	As part of national aid programming dialogues,
	As part of dedicated global thematic programmes
Q38: Additional information.	Respondent skipped this question

## PAGE 19: E.1) SUPPORTING IMPLEMENTATION OF THE TRADE FACILITATION AGREEMENT

Q39: What difficulties, if any, do you expect to face in programming support for Trade Facilitation Agreement implementation, when adopted, as part of your Aid-for-Trade activities? (You may tick more than 1 box)	Lack of prioritization of Trade Facilitation Agreement implementation in national development planning documents , National coordination and demonstration of political will for Trade Facilitation Agreement reform , Integrating Trade Facilitation Agreement implementation into on-going programmes , Knowledge of Trade Facilitation Agreement among staff

Q40: Additional information.	Respondent skipped this question
Q41: Which disciplines of the Trade Facilitation	Publication and availability of information,
Agreement do you think will prove the hardest for developing countries to implement and where Aid- for-Trade support should be focused?(You may tick more than 1 box)	Other measures to enhance impartiality, non- discrimination and transparency ,
	Disciplines on fees,
	Formalities connected with importation, exportation and transit
Q42: Additional information.	Respondent skipped this question
Q43: Will the Trade Facilitation Agreement, when	Yes

#### PAGE 20: E.1) SUPPORTING IMPLEMENTATION OF THE TRADE FACILITATION AGREEMENT

Q44: Please specify the other programmes that Trade Facilitation Agreement implementation would benefit when adopted: (You may tick more than 1 box)	Reducing costs and delays associated with procurement by in-country programmes , Other (please specify) Private sector development
Q45: Additional information.	Respondent skipped this question

#### PAGE 22: F.1) REDUCING TRADE COSTS

Q46: Do you track trade costs as part of your Aid- No for-Trade programmes?

### PAGE 23: F.1) REDUCING TRADE COSTS

Q47: How do you track trade costs?(You may tick more than 1 box)	Respondent skipped this question
Q48: Additional information.	Respondent skipped this question

Q49: What data sources do you use?(You may tick more than 1 box)	Respondent skipped this question
Q50: Additional information.	Respondent skipped this question
Q51: How do you validate the results?(You may tick more than 1 box)	Respondent skipped this question
Q52: Additional information.	Respondent skipped this question

## PAGE 24: F.1) REDUCING TRADE COSTS

Q53: What immediate outputs have you observed from actions taken to reduce trade costs? (You may tick more than 1 box.)	Updated customs working practices,
	New or updated transport infrastructure (roads, bridges, etc.)
	Certification and testing capacity (e.g. laboratory facilities)
	Creation of dialogue with private sector
Q54: Additional information.	Respondent skipped this question
Q55: What outcomes have you observed from actions taken to reduce trade costs? (Please choose no more than 5 options)	Increase in traffic flows through border posts,
	Increase in import volumes
Q56: Additional information.	Respondent skipped this question

## PAGE 25: F.1) REDUCING TRADE COSTS

Q57: What impacts have you observed from actions taken to reduce trade costs? (Please choose no more than 5 options)	Higher revenues for importers,
	Entry into new value chain, Rise in employment,
	Increase in foreign direct investment,
	Increase in domestic private sector investment

Q58: Additional information.	Respondent skipped this question
Q59: Which types of actions have achieved the most positive results in reducing trade costs for goods and services?(Please choose no more than 7 options)	Customs reform, Upgrading transport infrastructure, Upgrading network infrastructure, Removing domestic restrictions on commercial presence , Improving the regulatory environment for services , Improving skills levels in service sectors
Q60: Additional information.	Respondent skipped this question
Q61: What have been the key success factors in reducing trade costs?(Please choose no more than 5 options)	Private sector engagement and commitment, Alignment of actions with private sector priorities
Q62: Additional information.	Respondent skipped this question

## PAGE 27: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

Q63: Is private sector development an Aid-for-Trade priority of your agency?	Yes
Q64: Additional information.	Respondent skipped this question

## PAGE 28: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

Q65: What approaches do you use to promote private sector development?(You may tick more than 1 box)	Concessional loans and grants, Technical assistance, Business engagement,	
	Public-private partnerships	
Q66: Additional information.	Respondent skipped this question	

Q67: What is the focus of your private sector development programme?You may tick more than 1 box.	Vocational training and skills,
	Business or trade support institutions,
	Infrastructure, Business environment,
	Improving access to credit, Support for SMEs,
	Market information and business services,
	Private sector development in middle income countries
Q68: Additional information.	Respondent skipped this question

### PAGE 29: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

Q69: Is the private sector in your own country/customs territory involved in your programme?	Yes	
Q70: Additional information.	Respondent skipped this question	

## PAGE 30: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

Q71: How is your national private sector engaged? (You may tick more than 1 box)	Formulation of policies, Identifying binding constraints, Delivery of programmes
Q72: Additional information.	Respondent skipped this question
Q73: Do you offer support to your own private sector to invest in developing countries?	Yes
Q74: Additional information.	Respondent skipped this question

PAGE 31: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

Q75: How do you offer support?(You may tick more than 1 box)	Official lending, Guarantees, Advisory services and information, Embassy resources and support
Q76: Additional information.	Respondent skipped this question

#### PAGE 32: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

Q77: How do you measure the results of your private sector's involvement?(You may tick more than 1 box)	Regular project/programme evaluation, Impact assessment, Indicators on business environment, Social and economic indicators
Q78: Additional information.	Respondent skipped this question

#### PAGE 33: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

#### PAGE 34: G.1) PRIVATE SECTOR DEVELOPMENT AND YOUR AID FOR TRADE STRATEGY

Q80: Please provide details of relevant programme/project evaluations you would like to showcase (include weblinks where appropriate). You may also wish to elaborate by submitting information in a case story format. Details on how to submit a case story can be found at the end of this questionnaire.

UNIDO's Investment Promotion for Iraq (IPI) project financed by the Italian Development Cooperation has been designed to strengthen and develop the SME sector in Iraq. The project is being implemented in four provinces of Iraq; Erbil, Baghdad, Thiqar and Basra in close collaboration with the Iraqi Ministry of Industry and Minerals (MoIM), the Kurdistan Ministry of Trade and Industry (MoTI), the Thiqar Chamber of Commerce and Basra Chamber of Industry .

The IPI project is a part of a larger programme funded by the Italian Cooperation for Development in Iraq "Enterprise Development and Investment Promotion Programme" that supports SMEs in Iraq through technical assistance to create job opportunities for the Iraqi people as well as mobilize domestic investments. IPI complements and reinforce the achievements of the programme's adjunct projects: "Rehabilitation of the Specialized Institute for Industrial Engineering", Enterprise Development and Investment Promotion for the SME sector in Iraq" (EDIP), "Enterprise Development through Information and Communications Technology" (EDICT), and "Industrial Zones Master Plan".

Small and medium enterprises (SMEs), which are crucial for job creation in Iraq, have not seen much foreign or local investment due to the dominance of oil-economy as well as political and economic instability in Iraq. Limited foreign and domestic investment in diverse productive sectors, as well as the non restored/irregular electricity supply, poor infrastructure, non-competitive domestic private sector in terms of available human resources & technical know-how and inadequate trade policies have consistently reduced economic opportunities in non oil sectors and stimulated outflow of capital through over-dependence on imports.

Within the above backdrop, the project is based on the Government of Iraq's priorities as indicated in the National Development Strategy (NDS), and International Compact with Iraq (ICI) to encourage the development of SMEs in Iraq and the creation of employment opportunities for Iraqi people. In line with goals above, UNIDO realizes that the local private sector, particularly the SMEs, needs strengthening in their capabilities in order to be attractive to foreign investors. In addition national and local institutions supporting SMEs need capacity building to support the creation of new enterprises in Iraq, increase the competitiveness of the existing ones, as well as facilitate linkages for the acquisition of technology and finance. IPI has been designed to address these issues to support the growth of SMEs, and in turn, ensure the creation of new job opportunities, which will help to reduce unemployment and alleviate poverty.

As a strategic entry point, the project used the physical assets and human resources already available as a result of UNIDO's EDIP and EDICT projects to build in investment promotion tools. In particular it used the three Enterprise Development Centres (EDCs) already established and functional in the three Governorates of Erbil, Baghdad and Thiqar. Later, an additional centre has been established in the governorate of Basra. In addition, the EDCs were strengthened with on-line training and tutoring tools on investment promotion through the EDICT project's ICT poles to complement the efforts of IPI and reach out to more SMEs.

IPI activities began in March 2010 with focus on three major deliverable components, which are Investment promotion services, Sub-contracting Partnership (SPX) services and capacity building support to Iraqi National Investment Commission (INIC). The outcome of these components is to increase employment opportunities and mobilize investment both domestic as well as international in Iraq. To achieve these outcomes the project worked on building the skill sets of the local private sector, profile and assess the local SMEs to build their capacities to serve large multi-nationals, assist in identifying technology needs of the SMEs, provide opportunities to procure technical know-how and equipment, mentor SMEs in investment and trade facilitation etc. The approach used by the project to deliver these services was through building the local resources and channels looking towards future sustainability of the project services.

The EDCs in the governorates of Baghdad, Erbil, Basra and Thi Qar have been further reinforced in building human resources and infrastructure to provide investment promotion services. The project has conducted number of capacity building trainings in Investment promotion profiles, Investment Project Report Preparation and Appraisal (IPPA)/ COMFAR where 18 officials from the Counterpart Institutions and INIC have trained by UNIDO International consultant. 124 Iragi SMEs have participated in UNIDO missions to international exhibitions and business events, which were held with the aim of increasing the exposure of Iragi entrepreneurs to global business community, while allowing them to negotiate with their peers potential international partnerships including technology/equipment transfer, market access and joint ventures. Six missions have been organized thus far. The major event organized by the project was the 2012 Irag Trade and Investment Forum in Rome on May 23rd and 24th. The event was organized in collaboration with the Italian Ministry of Foreign Affairs and the UNIDO Investment and Technology Promotion Office (ITPO) in Rome to promote investments to Irag from Italy, which has demonstrated a very strong interest in Irag's economic revitalization over the last decade. Over 20 Iragi government officials and 30 Iragi companies travelled to Italy and attended the event. From the Italian side, the Forum had an outstanding resonance among the Italian institutions and private sector, with over 300 people attending the forum on the 23rd and 400 business meetings between Italian and Iragi companies from the 23rd to the 25th May, 835 business bilateral talks have been arranged within the framework of the investment promotion component of IPI project through participation to international exhibitions, investment forums as well as other investment promotion channels such as UNIDO's network of Investment and Technology Promotion Offices (ITPOs). Thus far, UNIDO has facilitated 60 international partnership agreements signed.

The EDCs have now established SPX centre in their premises with SPX coordinator to coordinate. The SPX centers are equipped with team of profilers and bench-markers. Altogether, 336 companies have been profiled

and out of which 54 supplier companies have been benchmarked till date. Supplier development programs have been organized where capacity building trainings for SMEs were provided. The project has done extensive awareness creation on SPX, organizing seminars and attending exhibitions and fairs. The project has organized six partnership matchmaking events/missions to fairs. 11 sub-contracting agreement signed between SPX suppliers and large buyers.

The project has been able to make an impact by creating employment of more than 1300 and mobilizing investment to the tune of 42 million USD.

#### PAGE 36: H.1) CONTRIBUTION OF AID FOR TRADE TO INCLUSIVE, SUSTAINABLE GROWTH

Q81: What contribution can reducing trade costs make to inclusive, sustainable growth?(Please	Increase in exports, Rise in employment,
choose no more than 7 options)	Entry into new value chains,
	Moving up value chains,
	Diversification in export markets,
	Foreign direct investment, Increase in imports
Q82: Additional information.	Respondent skipped this question
Q83: What impact has the Aid-for-Trade Initiative had since its launch in 2005? (You may tick more than 1 box)	No impact, Unsure
Q84: Additional information.	Respondent skipped this question
Q85: What potential future contribution could the	Ensuring continued attention to trade issues in
Aid-for-Trade Initiative make to the post-2015 development agenda? (You may tick more than 1 box)	development
development agenda? (You may tick more than 1	development Respondent skipped this question
development agenda? (You may tick more than 1 box)	Respondent skipped this
development agenda? (You may tick more than 1 box) Q86: Additional information. Q87: What potential future contribution could the Enhanced Integrated Framework for LDCs make to the post-2015 development agenda?(Please choose	Respondent skipped this question

#### PAGE 37: H.1) CONTRIBUTION OF AID FOR TRADE TO INCLUSIVE, SUSTAINABLE GROWTH

Q90: Additional information on "Reducing trade costs and inclusive, sustainable growth". If there is anything you would like to add on the topic of "Reducing trade costs for inclusive, sustainable growth", which you feel has not been covered in this questionnaire, please use this box. Respondent skipped this question