



# OECD POLICY DIALOGUE ON AID FOR TRADE

3-4 NOVEMBER 2008

OECD CONFERENCE CENTRE, PARIS

A joint event organised by the OECD Development Co-operation and Trade and Agriculture Directorates, with the support of the European Commission and the German Marshall fund of the United States

## DRAFT AGENDA

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## **POLICY DIALOGUE ON AID FOR TRADE**

**OECD Conference Centre, Paris**

**3-4 November 2008**

The OECD plays an instrumental role in supporting the implementation of the WTO Aid for Trade Task Force recommendations, in particular through the publication of the joint OECD/WTO *Aid for Trade at a Glance*. Since the 2007 Global Aid for Trade Review, many countries are revamping their Aid for Trade strategies and re-examining available evidence on what works best at supporting low-income countries develop their trade capacity. It is within this context that the OECD is organising its second Policy Dialogue on the topic of Aid for Trade.

The 2008 Policy Dialogue will also involve stakeholders in South-South co-operation, including Brazil, Chile, China, India, South Africa and Thailand to share their experiences and on how best to support developing countries in building their supply-side capacity and making trade an engine of economic growth and poverty reduction.

The Policy Dialogue will discuss evidence on what works best in Aid for Trade to ensure that all key stakeholders involved are aware of the best practices in the field. In particular, the discussions will focus on the tools and instruments to deliver Aid for Trade effectively – from the inception of an Aid for Trade strategy to the implementation of Aid for Trade programmes and the evaluation of their performance.

In short, the Policy Dialogue will contribute to the following outcomes:

- Enhanced understanding of the potential role of Aid for Trade as an instrument to help developing countries move from making trade possible to making trade happen.
- Shared knowledge of best practices, particularly in the implementation and evaluation of Aid for Trade programmes.
- Improved global monitoring of the Aid for Trade Initiative.
- Better identification of the issues that require more evidence and analysis for drawing policy recommendations

Each session will be introduced by a keynote speaker (except for the second session to be opened by a panel). Each keynote speech will be typically followed by two or three additional presentations by policy experts and/or practitioners. After the final presentation in each session, the floor will be opened for a moderated debate to give every participant an opportunity to discuss general and/or specific challenges, so that everyone can engage in peer learning through information and knowledge sharing.

## DRAFT AGENDA

Monday 3 November 2008

**08:30-09:30**      *Registration\**

**09:30-10:30**      *Welcome and Opening Remarks: Secretary-General Angel Gurría, OECD*

*Keynote Address: Deputy Director-General Valentine Rugwabiza, WTO*

**10:30-13:00**      **SESSION I:**

### **GETTING THE ARGUMENTS RIGHT: WHY AID FOR TRADE MATTERS**

*This session will set the stage by exploring the rationale for the development community to provide 'more and better' Aid for Trade. Aid for Trade is based on the assumption that international trade is an important instrument for promoting economic growth and reducing poverty. But that assumption is not always shared in the development community nor materialised in low-income countries. The session will discuss the value of trade as a tool for promoting sustained economic growth and inclusive development, and how Aid for Trade can help to improve conditions and policy settings that are conducive for sustainable trade expansion and poverty reduction.*

#### *Issues to consider include:*

- ❖ *How do trade, economic growth and poverty reduction relate to each other?*
- ❖ *How can Aid for Trade help strengthening the positive linkages?*

**10:30-11:30**      *Chair: Stefan Tangermann, Director, Trade and Agriculture Directorate, OECD*

*Keynote Speaker: L. Alan Winters, Chief Economist, DFID, UK*

#### *Lead Speakers:*

- Peter Thompson, Director of Development & EPAs, DG Trade, EC
- Mohammad Razzaque & Selim Raihan, CUTS International
- James Redden, University of Adelaide, Australia

**11:30-13:00**      Plenary Discussion

**13:00-15:00**      *Lunch Break*

*\* In order to avoid long lines and to ensure the meeting can start on time, please arrive as early as possible. Do not forget to bring your identification paper.*

Monday 3 November 2008

15:00-18:00      **SESSION II:**

**GETTING THE DELIVERY RIGHT:  
PERSPECTIVES FROM DONORS, RECIPIENTS AND SOUTH-SOUTH  
COOPERATION**

*Most of the challenges of delivering Aid for Trade effectively are not specific to trade but permeate all development assistance. Nevertheless, the complexity and interdependence of trade with a country's overall development strategy makes some challenges particularly critical, and the application of the Paris Declaration on Aid Effectiveness acutely relevant.*

*Prioritizing among the multifaceted supply-side needs (such as poor infrastructure, limited access to finance and technology, lack of human and institutional capacities, etc.) typical of many developing countries demands a clear vision and a favorable political economy context. Strong country ownership, donor coordination, alignment and harmonization are particularly important given the magnitude of the trade agenda. At the same time, the number of donors and actors in Aid for Trade keeps increasing.*

*Aid for Trade is an area where non-traditional DAC donors have much to offer, especially, in terms of technical co-operation and the dissemination of know-how, i.e. policies and regulatory approaches which they have applied successfully in their integration efforts. Their experiences are also closer related to the development levels of the partner countries.*

**Issues to consider include:**

- ❖ *How to prioritise binding constraints or supply-side needs?*
- ❖ *How to apply aid effectiveness principles to Aid for Trade?*
- ❖ *Different perspectives from different stakeholders?*

15:00-16:00

**Moderator:** Simon Evenett, University of St. Gallen

**Panellists** (in alphabetical order):

- Federico Alberto Cuello Camilo, Ambassador, Dominican Republic
- Alejandro Foxley, Executive Director for Chile and Ecuador, IADB
- Suthanone Fungtammasan, Director, Planning & Monitoring, TICA\*
- Bernard Hoekman, Director, International Trade, World Bank
- Mia Horn af Rantzien, Deputy Director General, SIDA

\* Thailand International Development Cooperation Agency

16:00-18:00      Plenary Discussion

18:00-20:00      **Evening Reception**

Tuesday 4 November 2008

09:30-12:30      **SESSION III**

**GETTING THE RIGHT FEEDBACK:  
EVALUATING AID FOR TRADE PROGRAMMES**

*Since the start of the Doha Development Agenda, donors have provided annually USD 21 billion on average to activities that are closely associated with the aid for trade categories identified by the WTO Task Force. In order to ensure that aid for trade delivers maximum value for money there is an urgent need to develop a body of evidence on what works and what doesn't in building trade capacities in low-income countries.*

*This session will provide an overview of the existing evaluations of donor programmes and projects that could be considered as Aid for Trade and assess the current practices (i.e. specificity, frequency, rigour and robustness). In addition, it will summarise the lessons learnt on the effectiveness and impact of Aid for Trade and identify the areas where more knowledge and evidence is needed to draw more specific conclusions. Finally, it will explore the need (and possible options) for practical guidance to evaluate Aid for Trade at programming and policy levels. For instance, when evaluating aid for trade it might not be enough to monitor only spending, or rates of return or efficiency gains on individual projects or programmes – but there is also a need to monitor the sequencing of interventions.*

**Issues to consider include:**

- ❖ *What are the major challenges in evaluating Aid for Trade?*
- ❖ *What do existing Aid for Trade evaluations tell us?*
- ❖ *What are the lessons, methods and recommended steps for improving evaluation practices in Aid for Trade?*

09:30-10:30

**Chair:** Richard Carey, Director, Development Co-operation Directorate, OECD

**Keynote Speaker:** Jean-Louis Chomel, Head of Evaluation, EuropeAid

**Lead Speakers:**

- Susan Stone, Asian Development Bank Institute
- Matthias Meyer, Executive Director, PRAXIMONDO

10:30-12:30      Plenary Discussion

12:30-14:30      **Lunch Break**

Tuesday 4 November 2008

14:30-17:30 SESSION IV

**GETTING THE RIGHT INFORMATION  
INDICATORS FOR MONITORING AID FOR TRADE**

*An essential aspect of the WTO-led Aid for Trade Initiative is the commitment to increase the resources and effectiveness of aid for trade by monitoring its implementation at both global and local level. After a first year of monitoring through data on global glows and questionnaires to recipients and donors, it was felt that the monitoring should be strengthened with a set of indicators that could help policy-makers to better assess the progress made in addressing trade capacity constraints in low –income countries.*

*In September 2008, the WTO organised an expert symposium on this issue which resulted in a draft illustrative list of indicators. The purpose of this session is to discuss the draft illustrative list of indicators to ensure that they are easily collectable, factual, do not create additional burdens in recipient countries and valuable to both donors and recipient policy-makers.*

**Issues to consider include:**

- ❖ *Which indicators are required to monitor at a glance the trade performance and development impacts of aid for trade?*

14:30-15:30 **Chair:** Shree B.C. Servansing, CTD Chairman / Ambassador, Mauritius

**Keynote Speaker:** Valentine Rugwabiza, Deputy Director-General, WTO

**Lead Speakers:**

- Elena Bryan, Deputy Assistant USTR for Trade and Development, USA
- Khemmani Pholsena, Vice Minister of Industry and Commerce, Lao PDR
- Peggy Mlewa, Permanent Mission of Zambia to the WTO

15:30-17:30 Plenary Discussion

17:30-17:45 **WRAP-UP SESSION**

**Co-Chairs:** Richard Carey & Stefan Tangermann, OECD

**Rapporteur's report:** Simon Evenett, University of St. Gallen

17:45-18:00 **Closing Remarks**