

Program Brief Document: WBI TRADE PROGRAM

Program Leader: Gianni Zanini - WBIPR

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Status: (draft)

Manager: Roumeen Islam, WBIPR

Program Resource Envelope:

BB:

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WC:

Trust Funds:

Managing Division: WBIPR

WPA #:

● Program Justification

The final Millennium Development Goal is a global partnership to ensure the economic growth required to sustain progress in all the other goals. Specifically, it calls for an open, rules-based, predictable, and non-discriminatory trading and financial system. The WBI trade program focuses on the trading dimension of this challenge, which is also one of five global public goods identified by the World Bank as a corporate priority. This program concentrates on how trade affects development and the economic policy angles of trade integration and negotiations, thus complementing other trade learning programs offered by international, regional, and academic institutions that are more focused on the legal dimensions of trade agreements and their implementation. The program is driven by demands received from governments, partners, and Bank country teams, with most events tailored to a country or region. Through its affiliation with the World Bank's Trade Department, this program is able to leverage the research and operational support provided there.

● Objectives

The WBI Trade Learning Program objectives are (i) to enhance the capacity of developing countries to put in place sound national trade policies and institutions that would enable them to take advantage of the world trading system and (ii) to help them participate effectively in multilateral and regional trade arrangements and negotiations.

Our priorities are: (i) **to establish multi-year learning programs** that are directly linked to operational priorities and increasingly country-focused; (ii) to respond to the evolving agenda of global, regional and bilateral negotiations; and (iii) to build on the knowledge base in other parts of the Trade Department.

● Contents and Design

WBI Trade program is build on two major components: support to Country Trade policies/institutions and Support to Multilateralism and regionalism.

I. Support to Country Trade Policies and Institutions: Much of our country-level work is linked to operational priorities and projects in support of national capacity building in a variety of topics including WTO accession, WTO agriculture Trade; Doha Trade Agenda; Doha Trade in services; Trade Facilitation; Trade, Growth, Poverty and Gender; Export Diversification, and SPS, and WITS.

With regard to WTO accession, of special note is our 6-year-old China program, which has moved from pre- to post-accession issues, and is now reaching out to the provinces. We have also been engaged on this topic in Cambodia, Ethiopia, Iran, Laos, Russia, Syria, Vietnam and Yemen in the last two years, with plans to expand

into Central Asia in FY06. Our strategy is to broaden our audience over time (e.g. successively involving government officials, academics, business, civil society) while deepening the programs from general awareness building to the specifics of designing reform.

The integration of learning activities with advisory services and lending projects has been instrumental in improving the quality of domestic trade liberalization in China, accelerating the path to WTO accession in China and Vietnam, and strengthening the consensus around both. China's continuing demand for trade-related learning and analytical contributions by the Bank, even following its accession to the WTO and its emergence as an export giant on global markets, reflects the success of these programs.

II. Support to Multilateral and Regional Trade Negotiations: In line with the priorities of the World Bank Trade Department, WBI has been engaged in a long-term program of capacity-building designed to improve the participation of developing countries in the Doha Development Round. To promote coherence with the WTO, we have been scaling up joint activities, where we stress the link between the WTO agenda and countries' development objectives. We have been coordinating with the WTO for many years in providing inputs into their Geneva-based trade policy courses, in the Joint Vienna Institute for transition economies, and more recently in the WTO regional trade policy courses in Africa, the Caribbean and East Asia. For deeper cooperation, a WBI trade staff member is now posted in the Bank's Geneva office.

With the rise in regionalism, we are now expanding our program selectively to assist in the implementation of existing regional agreements and the negotiation of new bilateral deals. Priority is being given to ASEAN, Andean Pact negotiations with the US, and various African regional agreements and their free trade talks with the EU.

In the past two years, we have been active in the dissemination of the World Integrated Trade Solution (WITS) software tool jointly developed by UNCTAD and the World Bank to analyze the impact of trade policy changes, whether stemming from domestic reforms or international negotiations. The training of analysts in using WITS has contributed to rapid growth in the number of registered WITS users, which now exceed 12,000. There is strong demand by analysts around the world for training and technical support on this tool that will be extremely useful in assessing the impact of their country's tariff reduction offers, concessions by trading partners, and proposed negotiating formulae.

In collaboration with the Bank's research department, the WBI trade team has prepared training modules on trade in services, targeted at trade negotiators and researchers. These have proven helpful to strengthen local capacity in assessing the performance of services trade and the implications for multilateral and regional negotiations. This represents a major effort to develop cutting-edge, core materials which can be used around the world by ourselves and local trainers, complemented by more regionally-specific case studies. Similar investments have been made on trade and product standards, and are now planned in the areas of regionalism and agricultural trade.

Trade researchers in developing countries have a crucial role to play in analyzing the economic impact of global and regional trading arrangements, advising policy makers, and providing a multiplier effect through their capacity building work at the national level. Jointly with the Bank's research department, WBI is supporting programs to build analytical capacity with ILEAP and SATRN in Africa, the ASEAN Economic Forum in Southeast Asia, the Institute of Economics in Vietnam, and UNESCWA in the Middle East and North Africa. This support has contributed to improved policy advice to policy makers and trade negotiators, and enhanced local ownership. WBI plans to continue this support with financial contributions, advice, and specialized training for the production of papers, peer and external reviewing, national and regional senior policy workshops, and technical courses.

● Audience/Participants

The main audiences targeted are in developing countries: (a) trade negotiators and officials who design and implement trade reforms; (b) trade researchers and trainers, who advise the negotiators, officials and politicians and help shape stakeholders' views; and (c) PRSP national teams, the private sector and civil society representatives that influence development strategies.

● Proposed Program Activities for FY06

Country Focus Programs

Our oldest country focus program has been in China, where WTO accession was a priority in the CAS. With China's successful accession, we have gradually shifted our attention to a new set of countries engaged in a similar process, beginning with Vietnam and now expanding into Bangladesh, Russia, and Kenya in support of the national export strategy in Kenya. FC program represent about% of estimated resources

Global/Regional Programs

Our strongest regional program has been in sub-Saharan Africa where we have supported two research capacity-building networks linked to trade negotiators focused primarily on the Doha Agenda but increasingly the Economic Partnership Agreements with the EU as well. Other regional work has been conducted in the Middle East and ASEAN. Our global program is centered around our collaboration with the WTO, supplemented by selected courses offered to a global audience in Washington. Non FC, Regional and Global Activities program represent about% of estimated resources

● Targeted Regions

Our main regions of emphasis have been East and Southeast Asia, sub-Saharan Africa and, to a lesser extent, the Middle East and North Africa. These will continue to account for the majority of our activities. However, with increased staffing, we have recently expanded into Latin America, and we plan to become more active in Africa, Russia and Central Asia in the coming year.

● Partners

To maximize their relevance and capacity-building impact, most activities rely heavily on partnerships with developing country institutions. Local policy research institutes, universities, and regional institutions and networks help identify needs, design and co-finance events, provide resource materials and persons, coordinate with other agencies, and advertise and handle participants. WBI also collaborates closely with other international institutions active on trade. These partnerships allow WBI to leverage its resources and those provided by other donors to reach a greater number of people and countries and to build stronger ownership and country relevance.

● Synergy with Other WBI Programs

The trade program complements the activities of several other programs in WBI, and coordinates with them wherever necessary. The private sector development group deals with the full range of issues surrounding financial sector regulation and reform, while our work on trade in services concentrates on the implications of opening to foreign service providers in the context of multilateral and regional trade agreements. Similarly, the agriculture and rural development program focuses on domestic institutional and policy constraints, while we emphasize the implications of the global trading system and national tariff and non-tariff policies.

Operational Integration

Through our association with the Bank's Trade Department and participation in its regular management meetings, we assure close coordination with the sector board and the Bank's global trade agenda. Similarly, collaboration with the trade coordinators in each region facilitates alignment of our activities with Operations' priorities. Our work in China and Vietnam has benefited from close interaction with the country teams, while our support to Ethiopia is defined by the preparation and implementation of an IDA credit.

Reach

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The program is also adopting new technologies to expand its impact. Videoconferencing has been used successfully to reach the Western provinces of China by exploiting the internal network of our partner based in Beijing. Recently, we have initiated our first internet-based courses to embrace a truly global audience. And in Russia we are concentrating on the training of trainers who will then carry out subsequent courses in the many cities beyond Moscow using materials prepared with our help.

Innovation

Perhaps the program's most significant innovation has been its strong emphasis on research capacity-building, recognizing that local ownership of reforms and negotiating positions requires homegrown analysis and local champions. This has been made possible by a combination of factors: close collaboration with the DEC research team, strong support from donors, and existing research capacity-building networks.

Leverage with Bank Operations

The trade program is strengthening its links to the Bank's country operations, in line with WBI's new strategy. In Vietnam, WBI is working with various sector teams to build understanding and ownership for a whole series of reforms required for WTO accession. In Egypt, where the Bank is preparing a project on trade facilitation and export development, WBI has delivered a course in these same areas, with plans for in-depth follow-up activities. In Ethiopia, WBI is assisting in the development of a new credit which will support the WTO accession process, and will follow up with introductory seminars on trade policy and the WTO, and analytical capacity-building.

Learning Outcome Indicators

Level one, end-of-event questionnaires were used for two-thirds of all our activities in FY04, and the results suggest a high level of satisfaction among participants. On average, 87% of participants rated the overall usefulness of our learning events to be 4 or 5 out of 5. In FY05, we sought to maintain, or even exceed, this high level of performance, while also increasing the number of activities covered by these evaluations. In FY06, we will aim at achieving a higher level of performance.

Impact Indicators by product line

In FY2006, in addition to such participant feedback, we intend to track three other indicators of potential impact: the number of trade negotiators and senior policy makers participating in our events, the number of WBI-

supported researchers who provide trade policy advice to their officials, and the number of policy research papers written by developing country analysts to which we contribute through finance and/or technical review.

Monitoring and Evaluation

The number of learning events, participants, participant-days, cost per participant-day, and level one evaluation results are all monitored regularly during the year to ensure that the program is in line with the annual program scorecard as well as WBI norms. Level one, end-of-event evaluations using the standard WBI procedures will be conducted for all activities except a few activities of one day or less. Level two, pre- and post-event tests have been used in the past and will be introduced again where appropriate.

Team Members:

- Carlsten Fink
- Andriamanjara Soamiely
- Salomon Samen
- Yan Wang
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¹ Please note the Program Implementation Report (PIR) to be issued by DATE__ will ask you to specify 3 things:

1) List of program achievements in terms of stated objectives for both product lines, 2). list of all activities delivered by the two product lines; and 3). Preview of program focus for the coming year. The PIR will be attached to this program brief to assess performance vis a vis the stated objectives and other unexpected outcomes.



Key Program Data (to be completed once budget figures are known)

Target Region(s):	East Asia, Africa and MENA; expanding into LAC and ECA
Target Country (ies):	China, Bangladesh, Vietnam, Kenya, Russia
Theme:	Trade
Audience Type:	Trade officials and negotiators, trade researchers, private sector and civil society representatives.
Estimated Participants days:	8,585
Estimated Training Days:	200
Estimated Number of Participants:	2,000
Total Number of Offerings:	90
of which Core Course Offerings:	10
of which DL Offerings:	8
Total Budget Estimate	
BB	=\$
of which Staff Costs	
of which Other BB:	
Charge Back:	
Est. Cofinancing/TF:	\$1,148,669
Total BB and TF:	
Cost Recovery:	
Cost Sharing:	

WBI TRADE PROGRAM BRIEF

Program Justification and Alignment

Program Objectives and Structure

Link to WBI Strategy

Program Implementation

Country Level Coordination and Partnership

We consistently seek out the local institution with the best policy-oriented trade expertise, whether it is Peking University in China, the Institute of Economics in Vietnam, or CREAM in Madagascar. We also establish partnerships with institutions having extensive distance learning networks such as

Donor Coordination and Partnership

We have collaborated for many years with trade research networks launched by IDRC of Canada, including the African Economic Research Consortium (AERC), the Southern African Trade Research Network (SATRN), International Lawyers and Economists Against Poverty (ILEAP), and programs developed by the UN Economic and Social Commission for West Asia (ESCWA). Our focus has been to complement the financial resources of IDRC and other donors by providing technical support from the Bank and independent experts. Generous financial assistance from DFID of the UK has sustained this dimension of the program for many years, while regular semi-annual consultations with this donor have ensured smooth coordination.

Sustainability/Institutionalization Plan

Once a country has acceded to the WTO, we remain for a few years to assist with the adjustment process. However, once this has been largely accomplished, we begin to exit, as in the case of China. In Africa, the challenge is not so much exit as continuity, and there we have focused on sustaining initiatives and building on past investments as the institutional arrangements undergo change. Thus, we assisted in the transfer to the AERC of the work on trade in services begun under the CAPAS program when it was terminated, and we worked closely with the new ILEAP program when it took over this and other WTO-related work from the AERC.

Capacity and Learning Impact and Outcomes

Evaluation and Reporting

The number of learning events, participants, participant-days, cost per participant-day, and level one evaluation results are all monitored regularly during the year to ensure that the program is in line with the annual program scorecard as well as WBI norms. Level one, end-of-event evaluations using the standard WBI procedures will be conducted for all activities except a few activities of one day or less. Level two, pre- and post-event tests have been used in the past and will be introduced again where appropriate.

