



Economic Commission for Africa

**Expert Group Meeting and Workshop on Aid for Trade and
Africa's Trading Capacity: Supply, Demand and Performance**

Program Agenda

**31 May – 2 June 2010, United Nations Conference Centre (UNCC)
Conference Room 2**

The international community under the auspices of the WTO agreed to launch the Aid for Trade (AfT) initiative in 2005 during the Hong Kong WTO Ministerial Meeting. The main objective of AfT is to help Africa and other developing countries to overcome their infrastructure and supply side constraints so to benefit from increased trade integration. Despite the encouraging progress as reflected in the outcome of the 2nd Global Review on Aid for Trade, the following important questions, both to Africa and other developing countries remain:

- How best can AfT be implemented to ensure tangible results on the ground in terms of: reducing trade costs; improving export diversification; increasing export competitiveness; expanding inter- and intra-Africa trade and promoting growth? How best can we assess its impact?
- And how RECs can harness it in support of regional integration processes in Africa?

Objective of the meeting

The overall objective of the meeting will be to examine how effectiveness of Aid for Trade can be assessed, what are its impacts and how Aid for Trade can support regional integration processes in Africa. The specific objectives are: (a) to examine selected studies employing different methodologies to assess the effectiveness of Aid for Trade and (b) to provide a forum for a dialogue between donors, African countries and RECs on how Aid for Trade can support regional integration processes in Africa.

31 MAY

Day 1

0800 – 0900 REGISTRATION

Participants will get the Security Badges from the UN Security for them to have access to the United Nations Conference Centre

0900 – 0930: OPENING SESSION

Chair: Joseph Atta-Mensah, Officer-in-Charge, Regional Integration, Infrastructure and Trade Division, UNECA

*Opening Address by the **Representative** of the UN Under-Secretary General and Executive Secretary of ECA, Mr. Abdoulie Janneh*

Expectations of the Workshop and Meeting in the context of the Global Aid for Trade Work Programme for 2009-2011: Stephen Karingi (UNECA) and Michael Roberts (WTO)

SESSION 1

Chair: Joseph Atta-Mensah, Officer-in-Charge, Regional Integration, Infrastructure and Trade Division, UNECA

0930 – 1100: STATUS OF AID FOR TRADE FLOWS TO AFRICA

The status of Aid for Trade flows to Africa will be presented. It is expected that the flows for 2008, which were not present during the 2nd Global Aid for Trade Review of 2009 will be presented, to allow the participants see and discuss whether the trend since the 2002-2005 base period has been sustained.

Jean-Jacques Hallaert (OECD): The status of Aid for Trade Flows to Africa and benefiting Sectors

Barbara Ramos (AfDB): African Development Bank Aid for Trade Flows to Africa

Marc Hermanne Araba (African Group AfT Focal Point – Geneva)

Discussions

1100 – 1130: Coffee Break

SESSION 2

Chair: Ambassador Peter Robleh, Co-ordinator, African Trade Policy Centre, UNECA

1130 – 1300: CONCEPTUAL CHALLENGES IN ASSESSING THE IMPACT OF AID FOR TRADE

The innovative character of Aid for Trade is that it brings together a range of development interventions with the aim of improving trade capacities. Assessing the impact Aid for Trade can make on improving trade capacities and contributing to economic growth and poverty reduction must address a number of conceptual challenges such as the linkages in the results chains, the attribution problem, the sequencing of different programmes and projects, complementary policies etc. This session introduces work which attempts to identify binding constraints to trade expansion as well as discussing the conceptual difficulties in designing and implementing projects as well as assessing impacts.

Jean-Jacques Hallaert (OECD): Binding Constraints to Trade Expansion: Aid for Trade Objectives and Diagnostics Tools

Stephen Karingi (UNECA): Conceptual Framework linking Trade Binding Constraints and Aid for Trade

Discussant: Robert Darko Osei

Discussions

1300 – 1430: Lunch Break

SESSION 3

Chair: Ambassador Peter Robleh, Co-ordinator, African Trade Policy Centre, UNECA

1430 – 1730: METHODOLOGIES TO ASSESS THE IMPACT OF AID FOR TRADE

After discussing the status of the Aid for Trade flows to Africa, including the picture regarding the benefiting sectors, the meeting will consider presentations on the methodologies that are currently being employed to assess the effectiveness of Aid for Trade. The meeting will debate the pros and cons of the methods currently being applied to assess Aid for Trade impact.

William Hynes (OECD): How to evaluate Aid for Trade

Liz Turner (Saana Consulting): Evaluating Aid for Trade at micro level

Prof. Matthias Busse (University of Bochum): Evaluating Aid for Trade at national and sub-regional level

Discussant: Andre Nikwigize, OHRLLS

1600 – 1630: Coffee Break

Discussions

1 JUNE

Day 2

SESSION 4

Chair: Mr. Magdi Farahat, Principal Regional Advisor, Geneva Inter-Regional Advisory Services, UNECA

0900 – 1100: EMPIRICAL EVIDENCE ON THE IMPACTS OF AID FOR TRADE

Building on the methodology-related discussion, the meeting will consider empirical papers on the emerging evidence on the effects of Aid for Trade. The evidence to be considered will be at two levels. First, it will be important to discuss and conclude on whether Aid for Trade affects

positively Africa's binding trade constraints. A key issue here will be on the optimality of the sector allocations of the Aid for Trade. Second, what is the relationship between the binding trade constraints (in other words the trading capacity indicators) with Africa's trade performance? Conceptually, it is considered that a positive effect of the Aid for Trade on trade performance is the intermediate target through which long term impacts on growth and poverty are to be realised. The studies to be presented here will be looking at developing countries in general with a focus on Africa.

Stephen Karingi (UNECA): Impact of Aid for Trade: Africa Experience

Massimiliano Cali (ODI): Cross-country evidence on impact of Aid for Trade

Discussant: Gilbert Boois

Discussions

1100 – 1130: Coffee Break

SESSION 5

1100 – 1300: CASE STUDIES ON THE IMPACTS OF AID FOR TRADE

Chair: Mr. Magdi Farahat, Principal Regional Advisor, Geneva Inter-Regional Advisory Services, UNECA

This session will focus on specific case studies. Evidence on how Aid for Trade is affecting trading capacity and performance at country-level or sub-regional level will be discussed. This will help identify lessons that on the whole would guide future Aid for Trade policies, both for the providers and recipients of AfT.

Philipp Rossberg and Mrs. Falatik-Papenroth (Pricewaterhouse Coopers): Making Aid for Trade effective for development: Case studies from East Africa

Liz Turner (Saana Consulting): Micro level evidence on the impacts of Aid for Trade

Discussant: Flora Musonda

Discussions

1300 – 1430: Lunch Break

1430 - 1730: GENERAL ASSEMBLY OF AFRICAN ALLIANCE ON E-COMMERCE

The African Alliance on E-Commerce is a private-sector driven public-private sector initiative that seeks to see the application of global best-practices in trade facilitation. It is an Alliance that promotes the automation of trade processes, through single-window initiatives.

1600 – 1630: Coffee Break

2 JUNE

Day 3

SESSION 6

0900 – 1300: OPEN FORUM ON HOW RECs AND MEMBER STATES CAN HARNESS AID FOR TRADE POTENTIALS TO DEEPEN REGIONAL INTEGRATION

Chair: Mr. Stephen Karingi, Chief, Trade and International Negotions Section, UNECA

Africa's integration as driven by the RECs has been making progress in some areas, while in others, surmountable challenges remain. One of the challenges is the high cost of creating regional inter-connectedness in infrastructure (both soft and hard), so that the regional markets are able to provide an attractive investment environment. There is consensus that a regional approach to Aid for Trade is critical to Africa's ability to overcome these challenges. However, when listening to both the RECs and the donors, it is not lost on observers that there is sometimes a mismatch between aspirations and what is actually happening on the ground. This mismatch it turns out is actually an issue of perception gaps.

This session will be an open forum in which a debate will be animated on the question: "How can RECs harness the Aid for Trade potentials to deepen their regional integration". The expected result of this debate is that the meeting will come up with clear points that the RECs could use in preparing their strategies and actions for harnessing Aid for Trade.

Daniel Tanoe (UNECA): the status of intra-African trade and the determining factors – ARIA IV

Magdi Farahat (UNECA): Why and how should RECs harness Aid for Trade for regional integration?

Introduction of the perspectives from RECs:

*EAC – Flora Musonda
ECOWAS – Kolawole Sofola
COMESA – Hope Situmbebo
SADC – Anselmo Nhara
ECCAS – Guillaume Vasseh*

Introduction of the African countries' perspectives:

Tanzania- Gloria Kidulile

1100 – 1130: Coffee Break

Introduction of the donors' perspectives:

*AfDB: Christina Lozano
DFID: Mike McCarthy
UNDP: Mumtaz Keklik and Luisa Bernal
EC: Jorge Gallego Lizon and Chiara Tardivo
World Bank: Richard Newfarmer
Sweden: Karin Andersson*

Open Discussions

1300 – 1430: Lunch Break

SESSION 7

Chair: Joseph Atta-Mensah, Officer-in-Charge, Regional Integration, Infrastructure and Trade Division, UNECA

1430 – 1530: CONCLUSION

During this session, the recommendations from the first two days of discussions on assessing the effectiveness of the Aid for Trade will be presented to the meeting *by Stephen Karingi (UNECA)*

And a summary of the debate on how RECs can harness Aid for Trade will also be presented to the meeting as an outcome document of the third day of the workshop *by Stephen Karingi (UNECA)*.

The Outcome of the General Assembly of the African Alliance on E-Commerce (AACE) will be presented by the Alliance's President, *Ibrahima Diagne*

1530 – 1600: CLOSING SESSION

Joseph Atta-Mensah, Officer-in-Charge, Regional Integration, Infrastructure and Trade Division, UNECA

1600 – 1730: INTERACTIVE SESSION ON WORLD BANK'S TRADE STRATEGY OPEN TO ALL PARTICIPANTS TO BE FOLLOWED BY A COCKTAIL RECEPTION

A new strategy to guide the World Bank Group's Trade activities is being developed this year. The process involves preparing a discussion paper of initial ideas, followed with extensive consultations with external partners and stakeholders, and then the preparation of the strategy document itself. The strategy is then reviewed by our board of Executive Directors. External consultations are an important part of the preparation of World Bank Group strategies.

Richard Newfarmer, the World Bank's Special Representative to the WTO and UN in Geneva, will be in Addis present initial thinking about the World Bank's trade strategy and to hear your ideas about ways the Bank can better help developing countries harness trade to promote growth and poverty reduction. At this stage, the Bank is considering work in five or six critical areas: export development and competitiveness; trade finance; trade facilitation and logistics; regional integration; and trade policy as well as publicly available data and tools to facilitate policy-making; analysis and evaluation. These ideas are elaborated in the attached discussion paper that presents an outline of the Bank's preliminary thinking.

All participants are invited to the meeting on June 2 at 4:30 pm at the UNCC, Conference Room 2. Mr. Newfarmer will begin the discussion by sketching out the strategy's key objectives, provisional areas of focus, and highlight central activities. He will then welcome an informal discussion and comments.