

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Proposal on Technical Assistance/Capacity Building

Communication from Bangladesh, Lesotho, Nigeria, Senegal, the United States and Zambia

Revision

The following communication, dated 11 October 1999, has been received from the Permanent Mission of the United States.

1. After the U.S. proposal on technical assistance and capacity building (WT/GC/W/276) was tabled, a number of delegations provided endorsement and helpful comments. This revision is intended to reflect such input and includes the endorsement of additional countries, without prejudice to their earlier support of the proposals found in WT/GC/W/299, WT/GC/W/259 and Add.1.

Text Proposal

2. Ministers agree to establish an action agenda to give a new direction and priority to the technical assistance and support for capacity building provided to WTO Members, particularly the least-developed, to ensure their integration into the trading system. They request that the Director-General, in cooperation with the Chairpersons of the Committee on Trade and Development and the General Council, launch a new action agenda to strengthen and enhance the WTO's ability to work with other international institutions in delivering such assistance to Members, particularly the least-developed. The new action agenda shall also improve the Integrated Framework for the Least-Developed Countries (IF) by promoting greater coherence among institutions and emphasize efficiencies among donor countries in the conduct of their programmes; ensure that such programmes are "demand driven" and responsive to the needs and interests of recipients; and explore establishment of a designated development partner programme to assist least-developed countries to coordinate follow-up activities. Drawing upon this experience, Members will eventually pursue the concepts embodied in the IF in a new, separate framework for the delivery of capacity building technical assistance to a broader range of WTO Members who are less advanced or are economies in transition.

Action agenda

3. Not later than July 2000, Members shall complete an evaluation of current capacity building technical assistance delivery mechanisms and develop proposals for General Council consideration by:

- examining implementation of the IF for the least-developed and propose improvements to the programme;
- assessing the viability of a development partner programme for the least-developed to assist these countries in making full use of the IF;
- improving cooperation among international intergovernmental organizations (IGOs) in the identification and delivery of technical assistance, with the objective of maximizing the number of participating IGOs in the new action agenda, particularly those participating in the IF;
- ensuring that capacity-building assistance to address “supply-side” and/or regulatory and other infrastructure needs are appropriately examined for further action;
- incorporating bilateral donors and technical assistance providers into activities under the new action agenda, including the IF, and explore ways to improve coherence in the interaction among bilateral donors, IGOs, including relevant regional IGOs and the non-governmental organization (NGO) community;
- working to establish a comprehensive framework for the funding of technical assistance, based on an evaluation of priority requirements, current funding mechanisms (including expenditures) and other potential funding sources to ensure effective use of resources and ensure their sustainability over the long term, including the Special Adviser’s ability to coordinate the IF with adequate human and other resources;
- establishing a mechanism for the regular review and evaluation of capacity building and technical assistance activities which may include regular progress reports and follow-up to the General Council by the Director-General, a Deputy Director-General or Special Adviser; and
- taking into account progress on implementation of the IF for least-developed countries, to consider creation of a separate and distinct integrated technical assistance coordination and delivery mechanism for other less advanced countries and economies in transition, employing concepts used in the IF, where possible.

Rationale

4. During the General Council debate, many Members have commented on the need for a new approach to technical cooperation and capacity building and their interest in participating in the design and evaluation of technical assistance programmes. It is also clear that the improvements in the implementation of the IF for the least-developed are necessary. The experience of the first five years of the WTO leads us to the conclusion that broadening, enhancing and more effectively coordinating technical assistance is desirable and that Ministers meeting in Seattle need to give specific directions to the WTO, under the leadership of the Director-General, to make important and immediate improvements in this area, building on the experience of the IF.

5. In 1997, as part of the High-Level Meeting on Integrated Initiatives for the Least-Developed Countries’ Trade Development, the IF was developed to foster an integrated approach to trade-related technical assistance activities for the least-developed Members, aimed at improving their overall capacity to respond to the challenges and opportunities offered by the trading system. The process began with the identification of needs by each country, followed by a joint response to those needs by

participating IGOs. Ultimately, each least-developed country received an integrated technical assistance plan from the IGOs.

6. The IF was a sound approach, but, in practice, has some shortcomings in terms of implementation, particularly with respect to lack of follow-up and poorer-than-expected coordination among IGOs. Nevertheless, with appropriate attention to the problems identified, we believe that some of the concepts of the IF could eventually be employed in developing a programme to plan and deliver technical assistance to non-least-developed countries in the WTO system. Such a programme would be separate from the IF itself, which was designed to respond specifically to the substantial needs of least-developed countries. The WTO can facilitate efforts to improve both the IF and assistance to other WTO Members by playing a more active coordinating role.

7. There are many actors in the capacity building/technical assistance field – from IGOs to WTO Member donor countries to WTO Member recipient countries, although not all are yet granted observer status in the WTO. Numerous IGOs are involved. Assistance also is provided at the bilateral level and via the extensive network of NGOs and other organizations. At the same time, recipient countries have called for a better means of working within the framework of assistance to select and make the best use of programmes that will meet their particular needs. There has been considerable emphasis on the importance of ensuring a demand-driven component to programmes and that they include identification of priority projects based on recipient country needs assessments and their relationship to trade-related capacity building. In the context of World Bank country programmes, reflecting government priorities, the World Bank can incorporate trade-related projects that facilitate WTO capacity building.

8. A new approach should be adopted by Ministers at Seattle with the aim of revitalizing the success of the initial work done under the and strengthening existing forms of cooperation. Many governments found that the needs assessments were an invaluable tool for considering the viability and efficiency of new programmes. The WTO need not compete with other international institutions or development institutions, but it must strengthen its ability to assist Members in maximizing the opportunities for assistance and ensuring that they enhance prospects for fuller integration of Members into the trading system. WTO Members have a special responsibility in this regard with respect to the least-developed Members of the WTO. In an effort to assist the least-developed, through the administrative and coordination process, the WTO should consider establishing a programme of development partners that might take the responsibility for ensuring that there is appropriate follow up in organizing roundtables and other coordinating activities, including possible involvement of members of the NGO community in the effort.

9. Some of the issues raised by all developing countries include inadequate or ineffective technical assistance, resource problems and implementation problems. Developing countries, in particular least-developed, have stressed that the IF and other technical assistance is just part of the picture. Assistance in building the capacity to trade is an important part of efforts to fully integrate countries into the multilateral trading system. Regular reporting to the General Council by the Director-General, a Deputy Director-General or Special Adviser would re-enforce the importance of follow through on overall development issues, as well as maintain an elevated approach to these issues in the context of integrating countries into the multilateral trading system. Work on a comprehensive, sustainable and long-term approach to funding technical assistance and capacity building is also an important factor.
