

Event Announcement

UNCTAD XII Civil Society Forum

Aid for Trade – Questions and Challenges

Organisers: CUTS International, London

Date & Time: Friday, 18 April 2008/1330-1600 hrs

Venue: British Council Project Room – Ghana National Theatre, South Liberia Road, Accra

Objective

At the quadrennial meeting of the United Nations Conference on Trade and Development (UNCTAD XII) in Accra, Ghana, this event, held under CUTS' "Linkages between Trade, Development and Poverty Reduction" project, seeks to *explore the questions and challenges facing developing countries in relation to the Aid for Trade agenda and ensuring it contributes to sustainable development*. Messages and recommendations from this meeting will feed into the UNCTAD XII Civil Society Forum.

Background

CUTS is implementing a project on issues of linkages between trade, development and poverty reduction over a period of four years (January 2005 to December 2008). It is supported by the Ministry of Foreign Affairs, The Netherlands and Department for International Development, UK.

The project is to manifest the policy relevance of international trade on poverty reduction. Although discussions on the importance of development efforts focussing more effectively on strengthening the trade and productive capacity of developing countries have been going on in the development sector for some years, this agenda has emerged most emphatically into the spotlight through the ongoing WTO Doha Round.

During the Doha Round of WTO negotiations developing countries have been demanding that developed countries provide them with increased volumes of trade related assistance (dubbed Aid for Trade) to help them to help them tackle the physical, institutional and skills constraints they face in engaging in effectively with the global trading system.

Following the Hong Kong ministerial WTO members formed a Task Force to explore how the Aid for Trade (AfT) initiative could be initiated and implemented. This Task Force produced a July 2006 report, which identified a number of key areas in which AfT could be focussed, called upon donors to take action and recommended that monitoring of AfT flows be improved so as to support this effort.

However, this Task Force failed (and in some respects, was not mandated) to: set commitments for donors to meet; make it clear that developing countries have urgent trade related needs that should be addressed immediately regardless of progress in the Doha Round; and clearly define Aid for Trade so that monitoring of Aid for Trade flows could be undertaken and donors could live up to their commitments.

Context

As a result of the deficiencies of the AfT process many developing country stakeholders and development NGOs have significant concerns about whether AfT can bring benefits to the developing world. The most significant concern is perhaps that Aid for Trade will be used to persuade developing countries into signing onto a Doha Round deal that is against their interests, tempted by promised millions that may never arrive or be ineffectively utilised.

Related to this, is the concern that with AfT still defined in such general and amorphous categories, there is plenty of room for donors to manipulate their reporting of AfT figures and remain unaccountable to their commitments.

All of this together with the fact that donors are failing to live up to their commitments to expand overall aid flows leads many to conclude that Aid for Trade will not deliver and is an unwelcome distraction (at best) to the developing country agenda at the WTO.

However, it is also clear that the AfT agenda could potentially provide benefits to the developing world if implemented in its intended spirit. Many developing countries require significant investment in their productive and trade sectors and development assistance could make an important contribution to this, albeit on the right terms.

Event

With over a year and half having passed since the AfT Task Force delivered its recommendations to the WTO's members, now is a suitable time to review progress in implementing this agenda and more specifically to:

- Assess progress in up-scaling AfT resources
- Assess progress in defining and monitoring AfT flows
- Explore more fully the challenges and opportunities relating to the AfT agenda
- Identify recommendations for ensuring that AfT agenda is implemented in a way that promotes the long term development interests of developing countries

These discussions will be stimulated in part by a report from CUTS International on the proceedings and outcome of the Aid for Trade Global Review in November 2007 and its analysis of the recently adopted Aid for Trade Roadmap for 2008.

Outcome

This event will help to identify the critical challenges still facing developing countries and the trade and development community as a whole in effectively implementing the AfT agenda and gather recommendations for the way forward.

Speakers

Selim Raihan, Associate Professor, Department of Economics, University of Dhaka, Bangladesh and Executive Director, South Asian Network on Economic Modelling (*Moderator*)

R.S. Ratna, Director, Regional & Multilateral Trade Relations, Ministry of Commerce and Industry, India*

Shishir Priyadarshi, Director, Development Division, WTO Secretariat, Geneva*

David Luke, Senior Advisor, Trade Competitiveness & Negotiations, Trade and Human Development Unit, UNDP, Geneva

[* TBC]

Participants

All delegates of UNCTAD XII are invited.

For more information, please contact

Atul Kaushik, Adviser (Project), CUTS International, India; ak@cuts.org

Clement Victor Onyango, Centre Coordinator, CUTS International, Kenya; cvo@cuts.org

Report>>>