

Doha Mandates

Paragraphs 38-41 of the Doha Ministerial Declaration deal exclusively with overall technical assistance and capacity-building. Paragraphs 42-43 focus more specifically on assistance to least developed countries.

Para. 38 instructs the Secretariat "to support domestic efforts for mainstreaming trade into national plans for economic development and strategies for poverty reduction. The delivery of WTO technical assistance shall be designed to assist developing and least-developed countries and low-income countries in transition to adjust to WTO rules and disciplines, implement obligations and exercise the rights of membership, including drawing on the benefits of an open, rules-based multilateral trading system. Priority shall also be accorded to small, vulnerable, and transition economies, as well as to Members and Observers without representation in Geneva."

Para. 39 underscores the importance of co-ordinated delivery of technical assistance with relevant bilateral, regional and multilateral institutions and calls for consultations with relevant agencies, bilateral donors and beneficiaries to identify ways of enhancing and rationalising the Integrated Framework for Trade-related Technical Assistance to Least-developed Countries and the Joint Integrated Technical Assistance Programme (JITAP).

Para. 40 instructs the Committee on Budget, Finance and Administration to develop a plan for adoption by the General Council in December 2001 that will ensure long-term funding for WTO technical assistance.

Technical Assistance and Capacity-building

Prospects for Cancun

The Cancun Ministerial meeting may serve as a good opportunity for taking stock of some of the issues and problems that have continued to plague the technical assistance and capacity building (TACB) process despite the best efforts to address them.

Many Members and other stakeholders see the need to gear appropriate TACB more towards national policy makers for creating institutional capacities. Trade-policy making, according to these sources, also has to reflect diverse stakeholder views. Many delegations see TACB initiatives such as the Integrated Framework as part of a 'flexible learning process' which could be suitably tailored to countries' needs and priorities as well as to lessons learnt from implementation. Both developed and developing countries have emphasised that they would like to see a better-coordinated Integrated Framework (IF, see below) that is more responsive to the real needs of least-developed countries (LDCs). All these and other issues will certainly need to be tackled as part of any post-Cancun agenda.

The prevailing view seems to be that there will be renewed commitments towards TACB efforts in Cancun, but no declaration in terms of significant shifts in strategy or direction. Some developed countries do not foresee any change in terms of the continuity of, and their support for, the various ongoing TACB activities irrespective of the outcome at Cancun. However, they do point to possible changes in the levels of TA-related financial commitments, directions and priorities for donor countries and organisations that various negotiating outcomes could lead to.

Background

Technical assistance (TA) and capacity building (CB) are among the key foundations on which consensual

support for the Doha mandate rests. It was the oil that smoothed the way towards developing countries' acceptance of a broad-based new round of talks including, for the first time, issues such as the environment and — at least potentially — investment, competition policy, transparency in government procurement and trade facilitation.

Mandated Deadlines

- December 2002, the Director-General was to provide an interim report to the General Council on the implementation and adequacy of the TACB commitments identified in different paragraphs of the Declaration;
- December 2002, the Director-General was to provide an interim report to the General Council on all issues affecting LDCs;
- Fifth Ministerial Conference (10-14 September 2003 in Cancun, Mexico), the Director-General shall report on the implementation and adequacy of the TACB commitments identified in different paragraphs of the Declaration; (para. 41 of the Doha Declaration) and
- Fifth Ministerial Conference, the Director-General shall report on all issues affecting LDCs (para. 43 of the Doha Declaration)

Current State of Play

In December 2002, WTO Director-General Supachai Panitchpakdi issued two interim reports to the General Council. The first addresses the implementation and adequacy of the TACB commitments identified in different paragraphs of the Doha Ministerial Declaration (WT/GC/W/484). It also highlights the Secretariat's Annual Technical Assistance Plan for 2003, described below. The second report covers issues affecting LDCs (WT/GC/W/485/Rev.1) as described in the last section of this brief.

Dr. Supachai noted with satisfaction

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Para. 41 instructs the Director-General to report to the fifth Session of the Ministerial Conference, with an interim report to the General Council in December 2002, on the implementation and adequacy of the technical assistance and capacity-building commitments identified in different paragraphs of the Declaration.

Para. 42 lists meaningful market access, support for the diversification of their production and export base, and trade-related technical assistance and capacitybuilding as essential for integrating least-developed countries (LDCs) into the multilateral trading system. Priority has also been attached towards reflecting accession-related technical assistance for LDCs in the WTO's annual TA plans. Para. 42 also instructs the Sub-Committee for Least-developed Countries to design a work programme taking into account the trade-related elements of the Brussels Declaration and Programme of Action adopted at LDC-III.1

Para. 43 endorses the Integrated Framework for Trade-related Technical Assistance to Least-developed Countries (IF) as a viable model for LDCs' trade development. It also requests the Director-General to provide an interim report to the General Council in December 2002 and a full report to the fifth Session of the Ministerial Conference on all issues affecting LDCs.

In addition, the Declaration is peppered with specific technical assistance and capacity-building provisions related to the various negotiating mandates, notably in market access for non-agricultural products (para. 16), trade and investment (para. 21), trade and competition policy (para. 24), transparency in government procurement (para. 26), trade facilitation (para. 27) and the environment (para. 33).

Yet more specific technical assistance provisions are to be found in the Decision on Implementation-related Issues and Concerns (WT/MIN (01)/W/10) also adopted in Doha, notably in paragraphs 2.2, 3.5 and 3.6, 5.1, 5.3 and 5.4, and 14.

WTO Members' response to the requirement to "ensure long-term funding for WTO technical assistance." The Doha Development Agenda Global Trust Fund, which relies on voluntary contributions to finance TA activities, was established in December 2001. Members pledged more than CHF 21.5 million (about US\$15.7 million) to the Fund in 2002. About CHF 4.5 million were pledged in advance for 2003. As of May 2003, CHF 2.5 million were still required to reach the target amount of 24 million for the Fund in 2003 (WT/COMTD/W/112).

Many developing country Members and civil society groups view these donations as developed countries' only important contribution towards addressing the 'development' dimension of the Doha Round. However, as one developing country delegate put it, the Trust Fund's success will depend less on the amount of money or number of activities undertaken than on the nature and quality of the TA provided.

The 2002 interim reports have been updated by the Director-General and will be submitted to the Fifth session of the Ministerial conference. The report on the implementation and adequacy of the TACB commitments (WT/MIN(03)/3) notes that the efforts deployed in the area of technical assistance and training have been "unprecedented" in the history of the GATT/WTO. Since Doha the WTO has implemented some 700 activities at the national level. According to the report, the Secretariat spent about CHF 36 million between the beginning of 2002 and the end of June 2003 on the delivery of training and TA.

Moreover, the report lists the TACB activities carried out by the Secretariat on various trade-related issues. This includes not only issues already included in the WTO's legal framework, such as agriculture, textiles, services and intellectual property, but also new areas arising from the Doha Mandate, including trade and environment as well as the potentially negotiable 'Singapore' issues (investment, competition policy, transparency in government procurement). On these issues, TACB activities have focussed mainly on Geneva-based, national and regional workshops, training courses and seminars organised by the WTO or in collaboration with other relevant institutions such as UNEP, UNCTAD and the World Bank.

Notable developments, also mentioned in the report, have been the creation of a New Institute for Training and Technical Cooperation by merging the WTO Technical Cooperation Division

and the Training Institute, and the creation of an LDC unit in February 2003 as part of the WTO's re-established Development Division.

The Report to the Cancun Ministerial on issues affecting LDCs (WT/MIN(03)/1) highlights measures taken by 28 Members at all levels of development to improve market access for LDCs. It also recognises that LDCs have clearly spelled out their negotiating priorities in the Dhaka declaration adopted at the Second LDC Trade Ministers' Meeting in June 2003 (WT/L/521). It further notes that the importance of the impact of cotton subsidies on the export potential of LDCs has been strongly emphasised at the highest political level.

Other Recent Developments

On 10 July 2003 a Joint Communiqué by the six core Agencies of the Integrated Framework (described below) at a meeting in Washington sponsored by the International Monetary Fund (IMF) noted the importance of "removing supply-side constraints" and stated that integrating diagnostic studies into national development plans such as poverty reduction strategies required embedding trade "into existing national consultative processes with the development community, the private sector and civil society."

At a 22 May meeting of the Committee on Trade and Development, discussions focused both on the 2003 TA plan, as well as an audit of the WTO's technical cooperation activities for 2002 (WT/COMTD/W/112 and WT/COMTD/W/111). The audit, *inter alia*, recognised that the emphasis on the prevailing approach to TA in the WTO was more on quantity than quality. Further, the very short duration of TA activities and the often great number of participants (sometimes 40 to 100 persons) allowed more for awareness creation and the dissemination of information than for the development of real skills and capacity building. The most popular sectoral areas of TA were services (30%), followed by SPS/TBT (18%), dispute settlement (13%) and agricultural issues (11%).

A 22 April Secretariat paper (WT/COMTD/W/112) on the Implementation of Technical Assistance for the First Quarter of 2003 (January to March) states that the overall level of implementation of the 2003 Technical Assistance Plan was modest and below expectations. Reasons listed include the situation in the Persian Gulf, health alerts in Asia, instability and security concerns in beneficiary Member countries, as well as late

requests to postpone scheduled activities.

On 16 April 2003, UNCTAD Secretary-General Rubens Ricupero and WTO Director General Supachai Panitchpakdi, signed a Memorandum of Understanding to clearly identify fields of cooperation, facilitating joint activities and institutionalising and enhancing the current relationship between the WTO and UNCTAD.

Towards more Streamlined and Effective Technical Assistance

Pre-Doha, the WTO's TACB activities suffered from a lack of coherence. Complaints centred on inadequate co-ordination with and among other organisations; one-off seminars in response to ad hoc demands; and lack of systematic seminar organisation with specific objectives. Since the increase in funding, the organisation seems to have begun addressing the challenge more professionally.

Disagreement persists among Members on what WTO TA should deliver. For instance, a Deputy US Trade Representative stated that technical assistance and capacity building related "strictly to assisting these countries in negotiations and [did] not require broader development aid." He noted the need for "clarity in terms of the division of labour between what the WTO can do and what the larger development organisations such as the World Bank and Inter-American Development Bank can do."

At the same time, many developing — and even some developed — countries feel that the WTO is not an adequate or desirable provider of TA designed to help governments in negotiations and trade-policy formulation because of possible conflicts of Members' strategic interests. Advice may not reflect a country's economic realities, and thus fail to effectively support its particular development strategies. In this regard organisations such as UNCTAD, non-governmental organisations (NGOs), academic and other institutions in developing countries themselves can provide credible and important inputs. Their role needs to be given more attention, prominence and recognition within the TA work programme.

A 16 June Secretariat note (WT/COMTD/W/116) also looked into possibilities and advantages of outsourcing technical assistance activities. Such TA was to supplement rather than be a substitute for TA in areas of WTO expertise. While the note focused heavily on outsourcing to international and intergovernmental organisations and development banks, it also men-

tioned, for instance, progressive development of collaboration at a regional level with "private" institutions such as the Harvard Institute for International Development. Whether this implies wider inter-agency collaboration, including with civil society organisations, in the future remains an open question.

Technical Assistance Plan for 2003

The Co-ordinated WTO Secretariat Technical Assistance Plan for 2003 (WT/COMTD/W/104/Rev.2), adopted on 22 November 2002, attempts to respond to the various Doha mandates and to address shortcomings in the WTO's 2002 technical assistance plan.

Key aspects highlighted in the 2003 Plan include the need for greater rationalisation of TA needs, and the need for TA to be integrated into overall development plans and poverty reduction strategies. The need to address the acute co-ordination challenges at the national level among agencies and bilateral donors was another key objective of the Plan. However, many recipient countries (and some donors) do not necessarily view such co-ordination as positive because of the differences in donors' institutional mandates and the consequent variance in setting priorities.

As a basic premise, the Plan states that technical assistance forms "an integral part of development plans to contribute to economic growth and poverty reduction", and suggests that the WTO's comparative advantage in TA delivery lies essentially in two areas: TA to develop negotiating capacity for the 'Doha Development Agenda' and TA to build institutional capacity to understand the rules and implement WTO Agreements.

The report also highlights the importance of Inter-Agency collaboration and specifies "systematic and cumulative human and institutional capacity building based on Members' explicitly determined priorities" as the "key principle" of the 2003 TA Plan.

The report also lists some of the TACB priorities communicated by Members to the WTO Secretariat. The largest number of requests (150) were for the 'Singapore issues'. Somewhat surprisingly, developing country Members made 46 requests for assistance on the environment. This underscores their perceived lack of capacity to deal with the trade and environment linkage in the context of multilateral trade rules, and their particular need to address it now that WTO ministers agreed to a negotiating

mandate on the issue in Doha (Doha Round Brief No. 9).

In response to demands for an explicit component on special and differential treatment, the Secretariat is currently preparing a training module.

Capacity-building products: The 2003 Plan lists a number of key products developed towards achieving "systematic, cumulative and sustainable" capacity building. These include:

- maintaining the 12-week regular trade policy courses for Anglophone and Francophone Africa initiated in 2001;
- the design of three regional training workshops with a focus on 'training of-trainers';
- 'Regional Advanced Doha Development Agenda Negotiations Training Courses for Senior Government Officials' (covering 7 regions and non-residents);
- the WTO internship system;
- the development of a Trade Negotiations Tool Kit for Negotiators with the purpose of preparing developing and least-developed countries for the Doha negotiations; and
- the development of a technical assistance / capacity-building programme menu.

Delivery modes: While not departing significantly from the 'workshop / seminar' mode of technical assistance (in addition to internships and trade policy courses), there is some emphasis in the 2003 Plan on the need for long-term trade capacity building, including training-of-trainers on the WTO's side, and adequate programmes to enhance absorption of TA on the recipients' side. The Plan also notes the importance of South-South collaboration in improving the relevance and quality of trade-related TA.

A new concept of 'trade clinics' or specialised missions to developing and least-developed countries is introduced in response to trade-policy questions arising from implementation-related problems and other immediate needs. These clinics would — at least in theory — build institutional capacity in the course of providing advisory services.

The Plan also describes a new OECD/WTO project called the Doha Development Agenda Trade-related Technical Assistance and Capacity-building Database (available at <http://tcbdb.wto.org>) as a "central pillar" of present and future WTO Annual Plans for TA and CB. The database was formally established in May 2002 to monitor, and

ensure the transparency of, the implementation of Doha's TACB.

Regional challenges: The Plan notes that certain regions have particularly acute TA needs, and mentions a number of TACB initiatives already underway or being planned for meeting these regional challenges. The New Partnership for Africa's Development (NEPAD) and the Joint Integrated Technical Assistance Programme (JITAP)¹ are highlighted with regard to Africa. Other regions/regional groupings listed include South Asia (South Asian Association for Regional Coordination), the Pacific Island countries, the Caribbean Community (CARICOM), and Central Asia.

Least-developed Countries

As a step towards fulfilling the mandate contained in para. 43 of the Doha Declaration, the Director-General delivered an interim report on questions related to least-developed countries to the General Council on 12 December 2002 (WT/GC/W/485/Rev.1).

32 out of the 49 countries designated by the UN as LDCs are WTO Members. According to the Report, the WTO's contribution to facilitating their integration into the multilateral trading system is based on three pillars, namely the Integrated Framework; the Annual Plans for Technical Assistance and Capacity-building; and the WTO Work Programme for LDCs (WT/COMTD/LDC/11) adopted by the Sub-Committee on Least-developed Countries on 12 February 2002.

The Integrated Framework: The interim report points to the Integrated Framework (IF) — a programme jointly implemented by the WTO, UNCTAD, the World Bank, the IMF, the International Trade Centre and UNDP — as the best response to the challenges faced by least-developed and other low income countries since the WTO alone cannot meet the full complexity of LDCs' trade development.

Diagnostic Trade Integration Studies (DTIS) are the first step of the coherent trade-related TA that the Integrated Framework aims to provide. On 10 July 2003 a Joint Communique by the six core Agencies of the IF stated that that DTISs had been completed or were near completion for the thirteen LDCs that had entered the initial phase of the IF.

Conclusion

The WTO's 2003 TACB work programme incorporates some new elements and tries to correct the mistakes and shortcomings of earlier efforts. There is a need to move away from the essentially standardised approach of 'one-off' seminars and workshops towards a more durable and lasting interaction that contributes to building local capabilities in developing countries and is more responsive to their distinct and diverse sustainable development needs, policy agendas and strategies. According to a Secretariat note (WT/COMTD/W/117), the newly established 'trade-clinics' would attempt to meet the specific concerns of developing countries including exploring the extent of a Member's ability to identify its "strategic trade interests effectively" in the light of its overall development strategy or to "manage the policy process domestically and internationally." This raises the question of how this initiative would be reconciled with the WTO's mandate of objectivity and neutrality.

A realistic approach would involve a wide variety of other actors unencumbered by bureaucratic constraints, including academia, independent research institutions and NGOs. Efficient TA also entails broadening the target audience beyond government officials to other relevant stakeholders, including local universities and training institutes, the private sector and civil society organisations. This would make the WTO part of a wide network of institutions all acting in accordance with their priorities, capabilities and resources towards ensuring that the benefits of

trade-related TA are effective and actually build the long-term capacity necessary for countries to meet their self-defined sustainable development needs.

Ambivalence about turning the WTO into a provider of TA and CB persists in many delegations and within the policy community at large. At least three types of concerns are continuously evoked in the negotiating rooms as much as elsewhere. These include, as noted above (1) the issue of reconciling the more pro-active TA required by the weaker Members and the WTO's statutory impartiality on policy choices. This dilemma continues to orbit the discussions on TA as do the more difficult issues of: (2) differentiating capacity for implementation on the one hand from capacity to articulate trade policy and to negotiate on the other, and (3) to avoid that developing countries find themselves substituting substantive gains or benefits in the form of effective market access and development-conducive regulatory frameworks for TA prospects and programmes as a quid pro quo.

Endnote

- 1 The JITAP is a programme developed jointly by the WTO, the ITC and UNCTAD with the aim of providing technical assistance to African countries. Its objectives are to build national capacity to understand the multilateral trading system (MTS), as well as its implications for foreign trade; to adapt the national trading system of target countries to the obligations and conditions of the MTS; and, to help countries enhance the readiness of their exporters to participate in the MTS, so that they can benefit as much as possible from it.

Documents related to technical assistance and capacity-building can be found at <http://docsonline.wto.org> under WT/COMTD/W/* using 'technical assistance' as the search criteria.

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