



Enhanced Integrated Framework (EIF)
for trade-related assistance for Least Developed Countries (LDCs)



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“Sustainable Tourism for Development”
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Enhanced Integrated Framework (EIF) for trade-related assistance for Least Developed Countries (LDCs)



- **Trade is a key engine of economic growth**
- **Trade increasingly important to LDCs**
- In 2011 LDCs **total trade** in goods and commercial services grew by 21.8 per cent (world average growth of 17.8 per cent).
- **Share of LDCs in world trade** increased from 1.09 per cent in 2010 to 1.12 per cent in 2011.





EIF

- **Aid for Trade partnership in Action for Least-developed countries (LDCs)** to support LDCs to become more active players in the global trading system by helping them tackle obstacles to trade
- WTO Ministerial meeting in Singapore (1996) focused on LDCs and coordination of Development Assistance → Integrated Framework
- In line with Brussels Programme of Action, Paris Declaration on Aid Effectiveness the Enhanced IF was born in 2008



Operating Principles

- Trade as a tool for development
- LDC Ownership
- Partnership Approach

Purpose

1. **Mainstream trade** into national development strategies (Tier 1 projects incl. DTIS)
2. Set up structures to **coordinate** the delivery of TRTA (Tier 1)
3. Build **capacity to trade**, including addressing critical supply-side constraints (Leveraging wider Donor support & limited EIF Tier 2 projects)



- **The EIF Partnership**
- 48 LDCs (and recently graduated countries)
- 23 Donors to the Trust Fund
- 6 plus 1 Partner Agencies (IMF, ITC, UNCTAD, UNDP, UNIDO, WB, WTO)

- **Governance**
- EIF Steering Committee
- EIF Board

- EIF Executive Secretariat based at the WTO
- EIF Trust Fund Manager (UNOPS)



Unlocking constraints

Need to **unlock constraints** to LDCs EFFECTIVELY engaging in the international trading system, both on the:

1. **Policy and institutional** side (Tier 1) and
2. **Developing the supply base** of internationally demanded goods and services (Leveraging partnerships & Tier 2)



Types of EIF projects

Pre-DTIS (for EIF recently admitted countries-
upto \$50,000)

- In country consultations with relevant stakeholders on trade mainstreaming
- Supporting the setting up of institutional governance structures
- Activities related to setting the stage to undertake a DTIS



Diagnostic Trade Integration Study (DTIS)/updates (up to \$400,000)

- Identifies constraints to competitiveness, supply chain weaknesses and sectors of greatest growth &/ or export potential
- Includes an Action Matrix- a list of priority reforms validated by Government, private sector, civil society and development partners



TIER 1 (UP TO \$300,00/year

- Focus on integration of trade & strengthening of productive capacities into NDS, national trade and competitiveness policies and action plans
- Identification and leveraging of funding for selected priorities taking a programmatic approach
- Support to coordination of delivery of TRTA



Tier 2 (between \$1.5-3million)

- Support priority small scale national projects identified in the DTIS to overcome supply side constraints to trade with view of assisting in development of a sustainable basis for export growth



Focus beyond Mid-Term Review of the EIF (2012)

Summary Conclusion that the EIF is:

- Highly relevant to all stakeholders
- Effective, but can still be enhanced
- Less efficient than possible comparators, due to design and the early stage of the programme
- Likely to have impact
- Sustainable, but still needs support
- **Program since extended to 2015 with operational period up to 2017**



Some key factors going forward:

1. **Sustainability** – consolidation from institution building to increased trade mainstreaming
2. Focus on the **catalytical nature** of the EIF: **Leveraging Partnerships** & closer links to bilateral programmes
3. Strengthening **National Mechanisms**



Potential collaboration on tourism activities

- Increased awareness by LDCs on the potential of tourism to deliver on trade in an inclusive manner
- 2nd generation DTISs/updates have identified tourism among the priorities
- Upcoming DTIS updates also requesting detailed analysis in tourism with view to identifying priorities
- Tourism related EIF Tier 2 projects on the increase- Cambodia, Sierra Leone, Uganda, Zambia, Liberia, Malawi



Specific Areas of Support

- DTIS – analytical support on tourism specific work
- Project Development
- Project Implementation
- Capacity building – possible integration of the guide as part of EIF capacity building modules

Way Forward

- Linking EIF FPs to Tourism FPs



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