



**United Nations
Conference
on Trade and
Development**

Distr.
GENERAL

TD(XI)/BP/2
16 April 2004

ENGLISH ONLY

Eleventh session
São Paulo, 13–18 June 2004

**The Joint Integrated Technical Assistance Programme:
Capacity Building in Assuring Developmental Gains from the
Multilateral Trading System**

Joint background note by the ITC, UNCTAD and WTO secretariats

Introduction

1. Assuring development gains from the multilateral trading system (MTS) is a key component of the provisional agenda of UNCTAD XI, whose substantive item is “coherence between national development strategies and global economic processes towards economic growth and development, particularly of developing countries”. Integral to the elaboration of national development strategies by developing countries is the building and strengthening of trade and trade-related human, institutional, regulatory and entrepreneurial capacities. Such capacity building is critical to the continued improvement of enabling policies and institutions, a business climate conducive to beneficial integration of developing countries and their enterprises into the MTS, and active participation in the trade negotiations.

2. The Joint Integrated Technical Assistance Programme (JITAP), implemented jointly by the International Trade Centre (ITC), UNCTAD and the World Trade Organization (WTO) and financed by several donor countries, contributes to addressing this challenge with respect to African countries. JITAP was launched in 1996, on the occasion of UNCTAD IX, as a pilot programme to help African countries assess and understand the impact of the WTO Agreements on their economies, and to build the additional capacity needed to formulate policies and strategies for tapping the opportunities created and to implement the Agreements. At UNCTAD X, member States called for the strengthening of JITAP and its expansion to new countries. JITAP’s contribution to building capacities that will increase developmental gains from the MTS is unique among trade-related technical assistance programmes. This unique joint endeavour is a coordinated response by the three leading multilateral trade agencies to build trade and trade-related capacities in Africa, drawing on these agencies’ complementary strengths, respective expertise and comparative advantages.

3. The first phase of JITAP (JITAP I), with eight beneficiary countries (Benin, Burkina Faso, Côte d'Ivoire, Ghana, Kenya, Tunisia, Uganda and the United Republic of Tanzania), was successfully completed in December 2002 and received a positive evaluation. A new phase launched in February 2003 (JITAP II) covers a four-year period up to 2006. The 16 African countries benefiting from the programme are the eight original countries plus eight additional ones – Botswana, Cameroon, Malawi, Mali, Mauritania, Mozambique, Senegal and Zambia. The launching of JITAP II and expansion of membership is a concrete response by the three executing agencies and donors to UNCTAD X's recommendation on JITAP.

JITAP's capacity-building goals

4. JITAP aims to build national-level capacities enabling partner countries to use trade as an engine of sustained growth and human development. Capacity development is a long-term process, especially in least developed and low-income countries with low absorptive capacities. There must be greater emphasis on the elements that contribute to processes leading to capacity development. The Doha Ministerial Declaration states that "The delivery of 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 benefits of an open, rules-based multilateral trading system". The capacity being built under JITAP reflects the spirit of the Doha Ministerial Declaration.

5. JITAP is contributing to the establishment of a trade policy process that helps each country to identify its trade interests in the framework of its overall development and poverty reduction strategy and, based on this identification, develop a specific trade strategy for policy formulation, negotiations and implementation. This requires an inclusive process involving all stakeholders, including parliaments, the private sector, the media, academia and civil society. The day-to-day operation of JITAP itself, involving all of its actors, has visible pedagogical value, making people from various institutions work together within a single set of interwoven activities, on issues that are of common interest but have traditionally been dealt with separately, to promote a comprehensive and inclusive approach to trade policy. This inclusive and consultative process is key to national ownership of trade policy reform proposals, elaboration of trade negotiation objectives and implementation of negotiated trade agreements.

6. JITAP II aims at building and/or strengthening, in partner countries, human, institutional and entrepreneurial capacities in five main areas:

- Trade negotiations, implementation of WTO Agreements, and related trade policy formulation through the Inter-Institutional Committees (IICs) that are official frameworks to organize national stakeholder discussion and decision making on the MTS;
- MTS Reference Centres (RCs) and National Enquiry Points (NEPs) for providing reliable technical information on the MTS, with attention to standards and quality requirements;
- Development of the national knowledge base on MTS through training of trainers and formation of trainer networks;
- Development of a goods, commodities and services policy framework and sectoral strategies including market knowledge of exporting and export-ready enterprises to develop production and exports; and
- Networking of the institutional and human capacities built in each country to encourage synergy and exchange of expertise and experiences, including at the subregional level, to ensure sustainability of such capacities beyond the programme's life.

MTS institutional support, compliance, policies and negotiations

7. The first pillar of JITAP capacity development is to develop and strengthen MTS institutional support for trade negotiations, implementation of trade agreements, and formulation of related trade policies. This capacity development will be interfaced with the implementation of the other four pillars of JITAP II to ensure parallel and coordinated development of institutional capacity alongside the development of human and entrepreneurial capacities, information centres and networking.

8. Under JITAP I, the eight partner countries instituted IICs to provide for participatory national coordination and management of trade policy formulation, monitor the implementation of WTO Agreements, and prepare for trade negotiations with a view to strengthening the countries' effective participation in, and drawing maximum benefits from, the multilateral trading system. The IICs have acted as platforms for analysing negotiating strategies, preparing and supporting trade negotiations, and coordinating and undertaking consensus building among government institutions, as well as between government and the private sector, academia, civil society and other stakeholders.

9. Under JITAP II, the 16 partner countries will be assisted in developing and strengthening national IICs that can support (a) constructive dialogue among government institutions, the business sector, academia and civil society to advise Governments of their concerns and interests regarding WTO issues; (b) effective participation in the WTO negotiations under the Doha Work Programme; (c) formulation of appropriate national trade policy in the context of the MTS and strengthened linkages with national development plans; and (d) effective implementation and enforcement of the rights and obligations of the WTO. The establishment of an IIC, either through a government decree or as part of existing or new legislation, is an important entry criterion for new countries to be included in JITAP II.

MTS Reference Centres and National Enquiry Points

10. This second pillar of capacity development seeks to provide reliable technical information on the MTS, with particular attention to the very important standards and quality requirements. It responds, *inter alia*, to the Doha Ministerial Declaration's reference to the delivery of technical assistance to developing and least developed countries and low-income countries. RCs would be important conduits of MTS information to relevant stakeholders in the public and private sectors and academia. NEPs could raise awareness within the business community and relevant public sectors of the requirements and standards, as well as all trade-related rules and regulations, imposed by their trading partners.

11. RCs are a physical location accessible to government officials, business representatives, university instructors, students and the general public where information resources of the WTO, UNCTAD and ITC are available in electronic versions (via the Internet and on CD-ROMs) and in print. RC users can also obtain information about the MTS and their country's commitments in the WTO.

12. NEPs are information points required by several WTO Agreements under the provision of information and transparency. Member countries are required to designate a single central government authority as responsible for implementing, at the national level, the notification requirements of the WTO Agreements. The four main agreements that have this requirement are the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS); the Agreement on Technical Barriers to Trade (TBT); the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS); and the General Agreement on Trade in Services (GATS). JITAP will help build NEPs in all four areas, capitalizing on the experience acquired in the eight countries that participated in JITAP's first phase, where NEPs were assisted in establishing the capacity to provide information on TBT and SPS.

Enhancing MTS knowledge and networks

13. This third pillar of JITAP capacity development seeks to develop/strengthen the MTS knowledge base in the partner countries. The building and consolidation of an MTS knowledge base in the partner countries and at the related national and subregional organizations aims to enhance the partner countries' capacity for a better understanding of, and participation in, the ongoing negotiations at the WTO and in the MTS. JITAP will provide partner countries with tools and training programmes on the different aspects of the MTS, particularly those under active negotiation under the Doha Work Programme. At the end of the programme, each JITAP partner country is expected to have developed a network of MTS trainers and professionals who understand the WTO rules, the policy dimensions and issues related to such rules, and the business aspects of both the rules and the policies. The respective networks should become the pillars of the countries' institutional capacity to understand and take an active part in the MTS.

Product and services sector strategies

14. This fourth pillar of JITAP capacity development is aimed at building capacity to derive practical and commercially meaningful benefits from the MTS. Activities under this pillar have the primary objective of enhancing the country's capacity to take advantage of the MTS through improved export readiness and to help entrepreneurs and policy makers convert new trading opportunities into actual business. Products and services sectors are identified for their potential to generate employment and provide income generation opportunities to the rural poor, thus contributing to the poverty reduction efforts of the countries concerned. The sector strategy exercise brings together product-sector associations, businesspeople, apex business organizations and policy makers in an effort to better understand demand opportunities for products with export potential, domestic supply capacities and bottlenecks to be addressed. This in turn should lead to the formulation of a strategic plan for exports of the product concerned. Moreover, policy constraints affecting appropriate supply-side responses will be identified and recommendations made for addressing them.

15. The sector strategy formulation process begins with the setting up of working teams consisting of public- and private-sector stakeholders and the selection of high-priority sectors through a combination of quantitative and qualitative analyses. A careful diagnostic of each identified sector is undertaken to identify its strengths and weaknesses. Particular attention is paid to defining the core competencies that should be developed in the enterprises operating in the sectors, and to identifying specific measures for creating an enabling environment in which the private sector can flourish. This step is followed by the development of strategies for enhancing exports of the selected product sectors and the preparation of action plans for implementing the strategies.

16. Such capacity building is expected to provide public administration and enterprises in a particular sector in which a given country may have export potential with a medium- to long-term vision and strategy for converting comparative advantages into competitive ones and developing exportable goods and services, thus creating job opportunities and contributing to poverty eradication. The formulation of sector export strategies for selected goods and services is key to allowing developing countries to draw advantage from market access opportunities.

17. Sector strategy formulation will also include the development of entrepreneurial and policy capabilities in the partner countries with a view to allowing countries to define and implement sound strategies and policies to strengthen their domestic services' capacities and their efficiency. At the same time, the product sector strategies will address policy design issues pertaining to commodity subsectors that would be more conducive to the promotion and competitiveness of both raw and processed commodity-based products in international markets.

Networking and programme synergy

18. This fifth pillar of JITAP capacity development underpins all work carried out under JITAP and lays the foundation for making the capacities developed under the programme sustainable. It will aim to link national capacity built to regional and global networks for long-term sustainability and derive added synergy from enhanced JITAP programme-wide coordination. The networking of national and regional MTS-related capacities is not seen only as a means for ensuring increased synergies and cross-fertilization of MTS expertise among partner countries and their subregional and continental integration organizations. The individual and institutional capacities that are built under JITAP and other technical cooperation and national programmes must become independent and sustainable beyond the life of the technical assistance programme. The very fact that people and institutions are linked and work together at the regional level contributes substantially to their self-reliance and challenges them to achieve enhanced performance nationally.

19. Global, subregional and national networks will be set up to link the national capacities to regional and global networks for long-term sustainability, using modern communication technologies, including the Internet and remote conferencing and discussions. Other technical cooperation initiatives could also use the networks that exist in JITAP countries and will be strengthened for enhanced coordination in the field and optimization of the return on technical cooperation.

JITAP toolkits and programme documents

20. For the above five JITAP capacity-building areas, ITC, UNCTAD and the WTO are preparing toolkits that will facilitate self-implementation of the required activities in the partner countries, using programme resources and counterpart funds to be allocated by the concerned public- and private-sector stakeholders and other trade-related technical assistance programmes. The design and development of individual toolkits for each of the five capacity development pillars represents an innovation in the provision of trade-related technical assistance under JITAP. It is meant to facilitate self-application, sustainability and ownership by the participating countries. The toolkits will be made available to the beneficiary countries and all other interested developing countries and lend themselves to adaptation by the individual countries to customize the pedagogical and trade development tools to their own requirements and national conditions.

21. The specific needs of each partner country are formulated by the National Steering Committees along the lines of the JITAP programme objectives and approaches.

Contribution to UNCTAD XI

22. JITAP's contribution to UNCTAD XI will focus on showcasing JITAP in building and/or strengthening, in partner countries, human, institutional and entrepreneurial capacities for effective integration into the MTS. JITAP will be show-cased as a *practical and integrated response* by ITC, UNCTAD and the WTO, and by participating donor countries, to develop trade-related capacities in partner African countries to derive development gains from the MTS and trade negotiations. JITAP will be further illustrated as a *joint venture of collaborative and coordinated efforts* between three groups of partners: ITC, UNCTAD and the WTO on the one hand, the partner countries on the other hand, and the donor community as the key supporter of the partnership.

23. The showcasing of JITAP will lead to the identification of *best practices and approaches* in MTS capacity building in ensuring developmental gains for African and other developing countries. In this respect, JITAP's key capacity-building element is the Inter-Institutional Committees, which constitute the kernel of a new institutional environment for dynamic engagement of countries in the

MTS. The development of this new institutional environment under JITAP is designed to occur in tandem with the development of a new policy, regulatory and entrepreneurial environment in dealing with the MTS.

24. In conclusion, by making a practical contribution to UNCTAD XI's overarching goal of enhancing coherence between national development strategies and global processes, JITAP can show how technical cooperation can specifically help build capacity to reap development gains from the MTS and trade negotiations.