

PUTTING THE DOHA DEVELOPMENT AGENDA INTO ACTION:

**AN UPDATE FOR MINISTERS
FROM THE DIRECTOR-GENERAL OF THE WTO**

MAY 2002

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UPDATE FROM THE DIRECTOR-GENERAL

2001 was an outstanding year for the World Trade Organization, perhaps the most significant in our brief history. We concluded a successful Ministerial Conference in Doha, reached agreement on the launch of a new Trade Round, and placed development issues and the interests of our poorer members at the heart of our work. And we welcomed more than a quarter of the world's population into our membership from China, Chinese Taipei, Lithuania and Moldova.

Success in Doha brought to an end the uncertainty created by the failure at Seattle. We are back in business. That business is trade liberalization. However, we have an enormous challenge ahead of us to conclude the new Round on time.

But I can update Ministers on the significant momentum we have maintained to date, with the full support of our Member governments. As you are aware, Members have established a Trade Negotiations Committee to oversee the negotiations. They have appointed the Director-General ex-officio to chair this body. The structure of the negotiations has been determined, chairpersons of all the individual negotiating bodies decided upon, and a timetable for 2002 established, which is helping resource-constrained Members to participate more fully in the negotiations. And of course we reached early consensus on Mexico as the venue for the next Ministerial Conference. Minister Derbez and his team have already begun preparations, with the full cooperation of the WTO Secretariat.

Members have proceeded rapidly and determinedly to the substantive negotiations, which were moved further forward with meetings of the Trade Negotiations Committee on January 28-February 1, and on April 24. The Secretariat has consolidated our internal structures and refocused our priorities clearly to reflect the Doha Development Agenda. I enclose for your convenience my summary as Chairman of the TNC of our progress to date; as well as a report on developments in our technical assistance and capacity-building program and other efforts we are making to ensure that the WTO is well-positioned to successfully conclude the new Round.

The roadmap to Mexico in 2003, and on to the successful conclusion of the round in 2005, includes a number of crucial elements.

TECHNICAL ASSISTANCE AND CAPACITY-BUILDING ARE KEY

One key to success will be technical assistance and capacity-building, coupled with enhanced in-depth training - helping poorer members to integrate into the trading system and participate fully in the negotiations. In Doha, developing countries put the "conditionality" of capacity-building on further progress in trade liberalization. Members have already acted decisively by approving an increased Secretariat budget of CHF 143 million for 2002, and pledging CHF 30 million to a new Global Trust Fund for technical assistance - double the sum we asked for. This has allowed us to begin implementing a significantly expanded technical assistance and capacity-building program for 2002-03.

Our task is to make sure these resources are used prudently and properly. We also have to ensure they are tightly targeted on the technical assistance needs of members - based around the Doha Agenda. We are hiring new staff to bolster our technical-

assistance capabilities. And importantly, we have put in place new audit and evaluation systems to ensure Members are well-informed, and to help us to be more transparent and accountable to Ministers. As part of our technical assistance mandate, we are also deepening our partnerships with other agencies and regional banks, and have made substantive progress on the Integrated Framework. As part of this process, we hosted the first-ever dialogue with Heads and Representatives of five regional development banks, the World Bank and the New Partnership for African Development in Geneva on Friday 3 May. The participating Banks were the Arab Monetary Fund, Asian Development Bank, European Bank for Reconstruction and Development, the Inter-American Development Bank and the Islamic Development Bank. There was a shared view that the coordinated involvement of regional development banks in the implementation of the Doha Agenda was indispensable for success. Heads committed to work together and to explore ways of enhancing their cooperative efforts. Attention will focus on how to provide beneficiary countries with concrete assistance to enhance their participation in the open, rules-based, multilateral trading system. The OECD Secretariat is also being of great assistance in helping us build up a new country file database, which will enhance the coherence of these partnerships as well as other donor efforts. We need this early warning system to identify and fix gaps in the delivery of trade-related technical assistance. Discovering problems next year will be too late.

I believe training is key. Our current programme includes at least 15 intensive three-week training courses and we have also doubled the capacity of our WTO Training Institute. And we are innovating. We hope to move quickly to establish - initially in two host countries in Africa - three-month diploma courses for trade officials. We believe this model can be replicated and cost-effectively spread throughout developing country centres, to meet the enormous hunger for knowledge about trade issues. These courses will be based on the curricula of the Training Institute. These various courses will help developing countries build up a core of advisors for Ministers by the time of the next Ministerial.

(a paper is available on this project.)

OUR CORE BUSINESS IS TRADE LIBERALIZATION

Political landmines remain. Some critics still do not understand or accept that the General Agreement on Trade in Services, for example, leaves decisions on the privatization and deregulation of such essential services as water and electricity totally to the discretion of individual sovereign governments. Major disputes between partners have the potential to poison the atmosphere, but this is a manageable and containable problem. Disputes come to us, because we have a binding rules-based system for resolving them. The disputes system is at the core of the WTO's basis for existence.

We know that the requirements of developing countries in the area of WTO or trade-related technical assistance extend well beyond what the WTO can and should provide. But I believe we need to be absolutely clear about the limits of what the WTO can - and cannot - do with regard to the Doha Agenda. It is not for us to tell countries and companies to make T-shirts or shoes, build airports or seaports, or privatize public resources. Over 10 per cent of our budget goes to the International Trade Centre, which exists to help businesses navigate through agreements and rules to get products to markets, and they do an excellent job. Other organizations can help with physical infrastructure. We can and do cooperate with other agencies. But our core business is trade liberalization, the Doha Development Agenda and bringing down barriers to trade, so that people everywhere can benefit.

No system is fail-safe. We all know of the transaction costs when we work between institutions. Ministers have been firm on the need for better coherence between institutions. We will need your continued assistance to ensure there is no slippage.

Unfortunately, by their very nature, institutions are competitive for resources and too often the needs of institutions come before those of their customers.

I believe we have to mobilise public support in both the developed and the developing world. The WTO has greatly increased our transparency and outreach to wider civil society, to NGOs, parliamentarians, Chambers of Commerce and trade unionists, through seminars and symposia. Our web site is now registering some 19 million hits monthly. Approximately 95 per cent of our documents are de-restricted and downloadable. The potential benefits of the Doha Round are enormous, the economic and development arguments compelling. We need to get this message across, consistently and coherently.

- In economic terms, cutting barriers to trade in agriculture, manufacturing and services by one-third, could boost the world economy by US\$613 billion. That's like adding an economy the size of Canada to the world economy.
- Abolishing all trade barriers could boost global income by \$US2.8 trillion and lift 320 million people out of poverty by 2015, according to a World Bank study.
- In development terms, the elimination of all tariff and non-tariff barriers could result in gains for developing countries in the order of \$182 billion in the services sector, \$162 billion in manufactures and \$32 billion in agriculture.
- OECD agricultural subsidies in dollar terms are two-thirds of Africa's total GDP. Abolishing these subsidies would return three times all the ODA put together to developing countries.

This is not just a North/South issue. Developing countries need not wait until the conclusion of the Doha Round. South/South trade in the 1990s grew faster than world trade, and now accounts for more than one-third of developing country exports, or about \$650 billion. The World Bank reports that 70 percent of the burden on developing countries' manufactured exports results from trade barriers of other developing countries. The quicker those walls come down, the quicker the returns to developing countries.

Other important development and good governance issues such as transparency in government procurement, competition policy, trade facilitation and investment, need direction from the highest political levels. Trade facilitation, according to APEC and UNCTAD studies, will generate huge returns. An Inter-American Development Bank study reported that in one South American example, a truck delivering product to markets across two borders took 200 hours, half of which were bound up in bureaucratic delays at the border. The need for this public sector infrastructure improvement is desperately urgent to protect domestic property rights and justice systems. Domestic red-tape and bad governance, in developed or developing countries, is costly and corrosive.

Barriers hurt both rich and poor. For those concerned about the poor in developed countries, in the US, EU and Japan for example, studies show that import tariffs are lowest on industrial supplies and luxury goods marketed to wealthy and middle-class families, and highest on cheaper goods that poor families buy. As for the world's poorest countries, studies show the extent to which trade barriers and tariffs of rich countries work against them. For example, Mongolians and Norwegians both paid the US about \$23 million in tariffs last year, according to one study. But Mongolia exported \$143 million and Norway \$5.2 billion, or 40 times as much.

Beyond these elements, we need to ensure our WTO processes adequately support the negotiations and are transparent and credible. Your guidance, wisdom and flexibility will be needed at all points in the negotiations. With all these elements of the roadmap working, it is then up to the trade negotiators of WTO members to work with commitment and flexibility to realise the enormous benefits offered by the multilateral trading system.

Finally, I can report that the transition to my successor, Dr. Supachai, will be seamless, professional and proper. He will be in a better position than any previous incoming Director-General to take up the challenge. He is now getting regular briefings and most WTO documents. I wish him well and will do everything in my power to assist him now and in the future.

I believe we can conclude the Round within the three-year time frame agreed by Ministers. The negotiations have begun to move into gear, but we must ensure that we do not allow either procedural or external disputes to distract us from the ambitious, but achievable goal we have set ourselves. I have learnt that shortcuts take longer, and that there is a difference between efficiency and effectiveness. There is much to do, but too much at stake for us to risk failure. Time wasted cannot be replaced. We need to quickly get down to the substance of the negotiations. I am not pushing the panic button, but my finger is poised to ring the alarm bell.

I am not suggesting that Ministers micro-manage the process. Ambassadors in Geneva are engaged, and the Secretariat is committed and focused. But success will demand close Ministerial attention and political leadership. We will need assistance from senior officials and capitals. We must remain a member-driven, Ministerial-led organization. I welcome and appreciate your support and advice. Without such oversight and engagement, we will not be able to implement the Ministerial instructions so firmly given in Doha.

As we come to the end of the first phase of our post-Doha work, the setting-up phase, the picture in Geneva is generally positive, though there is clearly no room for complacency. Some procedural difficulties remain, and I urge all participants to show flexibility in resolving these. I have been encouraged by the serious commitment all delegations have shown to fulfilling the mandates given to us at Doha. We have important deadlines to respect on the way to the major decisions Ministers will face in Mexico and it is essential that we do so. To keep up the momentum we have achieved so far, participants need to engage fully in the substance of negotiations without delay and without procedural blockages. The spirit of mutual respect and accommodation that brought us success at Doha needs to be carried through to the conclusion of the Round.

Mike Moore

Director-General, World Trade Organization

THE DOHA DECLARATIONS

At Doha, Qatar, in November 2001, Ministers agreed to a three-year work programme, with Development at the core. Key elements of the agenda include the following sectors:

Agriculture: Negotiations will open markets, and reduce "with a view to phasing out, all forms of export subsidies" and trade-distorting domestic farm support, while taking into account non-trade and development concerns, including through appropriate special and differential treatment in favour of developing countries.

Services: In services, liberalization could mean gains of between 1.6% of gross development product to 4.2 % of gross development product if tariff equivalents of protection were cut by one-third in all countries, according to the World Bank. Telecommunications, finance, transport and business services have many links to the rest of the economy and raise the productivity of many sectors.

Implementation: In the preparations for Doha, implementation-related issues were a high priority for many developing countries. About half the original 90 implementation issues raised, were addressed by a separate Declaration adopted at Doha. Of particular note is the decision on the extension of exemptions for certain small developing countries, which allows a longer phase-out period for certain types of subsidies. The remaining issues will be addressed under the relevant negotiating mandates of the new work programme or in the standing WTO bodies on a priority basis.

Industrial goods: Market access for industrial goods is another immediate priority for developing countries. The negotiating mandate focuses on reducing or eliminating tariff peaks and escalation, in particular on products of export interest to developing countries, as well as on non-tariff barriers.

Trade and environment: The commitment on the environment, is focused on the relationship between existing WTO rules and the trade obligations in multilateral environmental agreements, and on the reduction or elimination of tariff and non-tariff barriers to environmental goods and services. In its continuing work programme, the Committee on Trade and Environment is directed to give particular attention to the effect of environmental measures on market access, the relevant provisions of the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS) and labelling requirements for environmental purposes. The Committee will make recommendations to the Fifth Ministerial Conference on future action, which may include negotiations on these subjects.

"Singapore issues": It has been agreed that negotiations will take place beginning after the Fifth Ministerial Conference in Mexico, on the basis of a decision by explicit consensus to be taken at that session on modalities, on multilateral framework rules for trade and competition policy and foreign direct investment. The Doha Declaration also provides for possible negotiations on transparency in government procurement and on trade facilitation.

A separate Ministerial Declaration on Drugs patents and public health states that the WTO's Trade Related Intellectual Property (TRIPS) Agreement "does not and should not prevent members from taking measures to protect public health", adding that it should be interpreted and implemented in a manner "supportive of WTO members' right to protect public health and, in particular, to promote access to medicines for all".

THE TRADE NEGOTIATIONS COMMITTEE - THE DOHA ROUND GETS UNDERWAY

THE TNC CHAIRMAN'S REPORT

The first meeting of the Trade Negotiations Committee (TNC) was held on 28 January and 1 February, at which the TNC took note of a statement by the General Council Chairman and endorsed the Principles and Practices set out in it. The meeting also agreed to appoint the Director-General in an ex officio capacity to chair the TNC until the deadline of 1 January 2005 established in the Doha Declaration. The TNC agreed to a structure for the work it would oversee, and that the Chairman of the General Council would consult on the chairmanships of the individual negotiating bodies.

Following consultations held by the General Council Chairman, the General Council agreed on 15 February to the slate of names for the Chairpersons of the bodies established by the TNC.

The bodies established by the TNC are as follows:

Special Session of the Committee on Agriculture

Chairperson: *Mr Stuart Harbinson (Hong Kong, China)*

Special Session of the Council for Trade in Services

Chairperson: *Ambassador Alejandro Jara (Chile)*

Negotiating Group on Market Access

Chairperson: *Ambassador Pierre-Louis Girard (Switzerland)*

Special Session of the TRIPS Council

Chairperson: *Ambassador Eui Yong Chung (Rep. of Korea)*

Negotiating Group on Rules

Chairperson: *Ambassador Tim Groser (New Zealand)*

Special Session of the Dispute Settlement Body

Chairperson: *Ambassador Péter Balás (Hungary)*

Special Session of the Committee on Trade and Environment

Chairperson: *Ambassador Yolande Biké (Gabon)*

Special Session of the Committee on Trade and Development

Chairperson: *Ambassador Ransford Smith (Jamaica)*

The TNC is developing its own work schedule on the basis of one meeting every two-to-three months, but with provision for more meetings when necessary. These bodies have all started their work, and their Chairpersons reported on progress to the second TNC meeting on 24 April.

At that meeting, the Chairman, WTO Director-General Mike Moore, said that he believed the TNC's work was now approaching the end of the immediate post-Doha phase; the establishment phase. However, he stressed that there was no room for complacency. No-one should lose sight of the fact that the work was taking place under a very tight deadline. The negotiations have been set to conclude not later than 1 January 2005. The Chairman noted that it was already more than five months since Ministers met in Doha, and would soon meet again in Mexico in 2003 to take stock of progress and address some important decisions. But even before then, a number of significant deadlines had to be met. In the start-up phase, perhaps not surprisingly, differences on procedural issues had emerged in some groups. But everyone had a collective responsibility to resolve these differences quickly so they could focus fully on substance, said the Chairman, who added that the Chairs were working hard to do this. He asked all delegations to show them, and each other, the necessary flexibility.

The TNC took note of the reports by the Chairpersons of the bodies established by it, and of understandings proposed by the Chairman on participation in the negotiations and on the status of Observer governments for whom an accession working party had not been established. On the issue of observer status for IGOs, the Chairman reported that consensus had not been reached on this particular issue at this stage. He suggested that everyone should reflect carefully on how the issue might be resolved. For his part, he would continue his discussions with the Chairpersons of the TNC's subsidiary bodies.

At the end of the meeting, the Chairman announced that the next TNC meeting was scheduled for 18-19 July. He underlined that by the time of that meeting, it would be necessary to have a more precise picture of the road map to Mexico and beyond in each sector and in the negotiations overall, bearing in mind the single undertaking. The Chairman said he was not pushing the panic button at the present time, but suggested that substantial progress would have to be made by then.

After the summer break, more TNC meetings would be necessary in the autumn and most importantly in December, when the reports on outstanding implementation issues from the relevant WTO bodies will be submitted to the TNC for appropriate action, in line with paragraph 12(b) of the Doha Declaration. Mr Moore said he was in contact with his successor, Dr. Supachai, about the meeting schedule for the latter half of the year and was keeping him up to date on the progress made so far. He has also invited Dr. Supachai to attend the next meeting in July.

The Chairman reported on the 24 April TNC meeting to the General Council in May.

WTO TECHNICAL COOPERATION AND CAPACITY-BUILDING - MEETING THE CHALLENGES OF THE DOHA AGENDA

Technical cooperation and capacity-building are key components of the development dimension of the multilateral trading system, and of a successful conclusion for the Doha Round. There has been a fundamental overhaul of WTO technical cooperation and capacity-building in the past 30 months and significant accomplishments. Much of what is being accomplished in WTO technical cooperation is based on enhanced inter-agency coordination, support by donor countries in particular Members of the Development Assistance Committee of the OECD, and on-going adjustments by the beneficiary countries.

Commitments by WTO Ministers on technical assistance and capacity-building, at Doha, were key factors that contributed to the successful launch of the Doha Round of Multilateral Trade Negotiations. Post-Doha, the challenge is to give effect to these commitments. Beyond the positive contributions that they will make to the negotiations underway, technical assistance and capacity-building are facilitating the acceleration of the integration of the developing and least-developed countries into the multilateral trading system and the global economy.

THE MANDATES

Based on the Doha Agenda, the WTO Secretariat has focused its strategic response on the 11 operative paragraphs of the Declaration with specific Technical Cooperation and Capacity-Building (TCCB) commitments, indicated in the table below.

Paragraphs	Mandate
16	Tariff negotiations: non-agric. market access
21	Trade and investment
24	Trade and competition
26	Transparency in government procurement
27	Trade facilitation
33	Trade and environment
38	Mainstreaming/Implementation/New Strategy
39	IF/JITAP - coordination with bilateral donors/agencies
40	Predictable funding for TA activities
42	LDCs' accessions
43	Integrated framework

WTO STRATEGIC RESPONSES TO THE TCCB MANDATES

The WTO Secretariat has constructed seven pillars, essential for responding to the full scope of the TCCB mandates in the Doha Development Agenda.

First, is the negotiation and design of effective inter-agency groups, focused on issues and activities, for the coordinated delivery of TRTA. For instance, the Secretariat has accomplished much with UNCTAD, in the last few weeks in the area of competition policy and investment. Negotiations are well underway with other agencies to establish similar arrangements on trade facilitation, transparency in government procurement, as well as the more traditional implementation issues. WTO partnership with the Food and Agricultural Organization, the Codex Alimentarius and standards activities, are contributing to the effective participation of developing countries and LDCs in standard-setting bodies. Currently, the Secretariat is exploring a joint initiative with the World Bank to enhance the capacity of developing countries and LDCs to meet international SPS standards. There is a solid and reliable partnership with the World Customs Organization on Customs Valuation on which we will continue to build. UNIDO will be of assistance together with the Economic Commission for Europe (ECE) on Trade Facilitation matters. The WTO's partnership with the International Trade Centre (ITC) is a model of cooperation, not only in policy and institutional capacity-building, but also in supporting the activities of ITC in developing export strategies for trade support, promotion and diversification.

Second, the Integrated Framework for Trade-Related Assistance to the LDCs is one of the solid pillars in the overall architecture. At the last meeting of Heads of Agency, Agencies confirmed the extension of the benefits of the IF to 11 LDCs. HOA also agreed to act swiftly to extend the benefits of the Integrated Framework to as many LDCs, as possible, before the conclusion of the Doha Trade Round. They instructed the representatives of the UNDP and the World Bank to consult with donors and national authorities at the country level with a view to designating a lead donor, and to report to the IF Steering Committee. The unique aspect of the last meeting of was the unanimous undertaking to support developing and least-developed countries in the new round of trade negotiations and the negotiations of the Doha Development Agenda, on the basis of complementary expertise of the agencies.

Third, the creation of a Doha Trade-Related Technical Assistance Database is key to WTO efforts. This WTO initiative has received strong endorsement from the IF Heads of Agency. The OECD, which is playing a key role here, is working with the WTO, together with all key agency and country providers of TRTA to create and manage this database, which is being established on the basis of country files. Agencies and country providers of TRTA will report into agreed, comparable TRTA categories. The purpose of the database will be to improve coherence, maximise available resources, and minimize duplication. It will also act as a transparency mechanism in the exchange and sharing of information, holding all stakeholders accountable and assisting agencies and Members in measuring progress in the implementation of the Doha mandates.

Fourth, effective coordinated delivery of TRTA by the WTO and bilateral donors in the Development Assistance Committee of the OECD is essential. The first step was taken on 17-18 January when the first meeting of agencies and the DAC/OECD took place. Several messages originated from that meeting, requiring the action of the trade and development communities. The agency/donor meeting agreed to reconvene, just ahead of the WTO General Council, in December, where the Director-General will report on the adequacy and implementation of the commitments on technical cooperation and capacity building in the Declaration. It will be necessary and essential for the meeting to provide concrete inputs on their achievement from the joint meetings to the report of the WTO Director-General to the December meeting of the General Council.

Fifth, building a strategic partnership with the Regional Banks, Institutions and Commissions is a fundamental requirement for the effective implementation of the Doha mandates. Regional institutions know the regions. There are several potential areas of contributions, which include grant funding for TRTA, and concessional project-based funding for TRTA. At the end of February, Director-General Mike Moore signed a Memorandum of Understanding with Enrique Iglesias, President of the Inter-American Development Bank (IDB). Other regions can emulate the good practices of the IDB in bringing together the trade and finance communities, in reflecting trade priority areas of action in competitiveness studies, and in providing not only grant support, but soft loans to finance TRTA. If regional development banks pull in the same direction, they can make fundamentally decisive contributions to support the implementation of the Doha Mandates. To pursue this aspect of the overall WTO plan, the Secretariat held an initial meeting in Washington with Regional Development Banks on 27 February 2002. At that meeting, it was agreed that the WTO will convene a meeting of regional development banks. This meeting will be held on 3 May 2002 at the WTO, in Geneva.

Sixth, the WTO Secretariat-wide Annual TA Plan is a central pillar of WTO response to the Doha TCCB mandates. It responds to the vital, but short term TRTA and capacity building needs of the beneficiary members. Activities in the Plan include seminars, national technical workshops, specialized missions that focus on particular WTO Agreements, issues, and problems, as well as short intensive training courses for senior policy makers. At the 39th Session of the COMTD, on 6 March, WTO Members agreed that the Secretariat should proceed with the implementation of the TA Plan. This Plan is contained in document WT/COMTD/W/95/Rev.3. Agreement to proceed with this plan was an important accomplishment by WTO Members. It demonstrated the establishment of consensus on such issues as structure and the TRTA categories. Furthermore, it was the first time that Members had negotiated a WTO Plan for operational activities. The Plan is dynamic and flexible. It is work in progress, but it is a significant step forward in delivering on the Doha mandates.

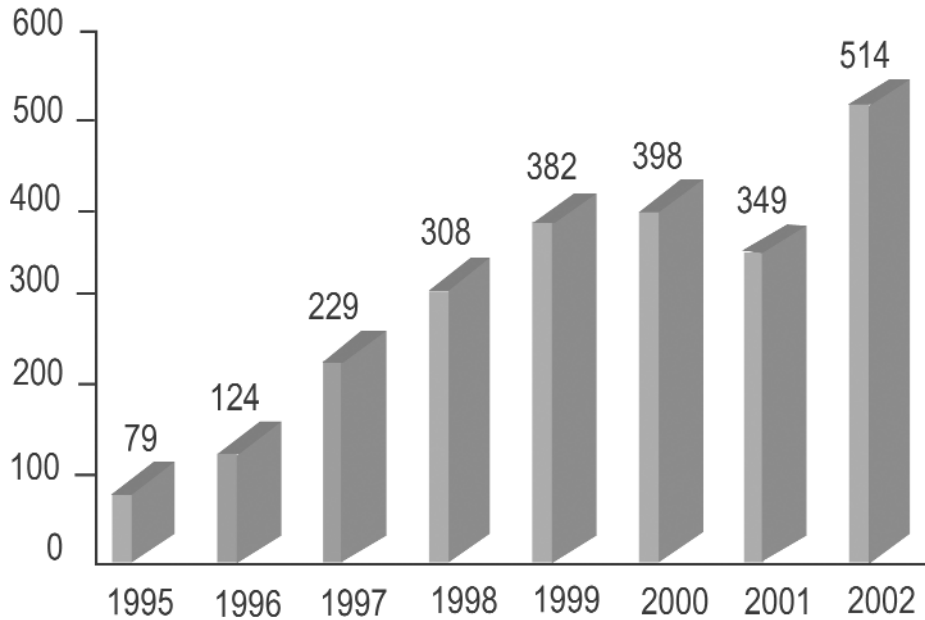
We must underscore that the fundamental policy objective of WTO technical assistance are based in the New Strategy for WTO Technical Cooperation as endorsed by Members in paragraph 38 of the Doha Ministerial Declaration. These objectives primarily are to enable the developing and least-developed countries to participate in the new negotiations and to stimulate supply-side responses.

The seventh and final pillar is quality control, evaluation and audit procedures for the use of the resources provided by WTO Members and essential constant monitoring of totality of the WTO strategic response to the Doha mandates. The Director-General established a Technical Cooperation Audit Unit. The process is now one that is transparent, competitive and identifies priorities in the Technical Assistance Management Committee, following which resources are then allocated. The WTO new monitoring and evaluation will ensure that the Technical Cooperation Audit Unit prepares an annual report on Technical Assistance evaluation and submits it to the Committee on Trade and Development. The systematic application of the evaluation methodology will contribute to improved performance-management in the field of technical cooperation.

INCREASING NUMBER OF ACTIVITIES

In 1995, the WTO delivered 79 activities. This year, there are 514 activities contained in the WTO Secretariat-wide Annual TA Plan, an increase of over 550 per cent. This increase has been driven by sharply rising demand from WTO member governments in the developing world and is a clear indication of the importance these governments attach to WTO technical cooperation. More significantly, the increase is a measure of the WTO response to the technical cooperation and capacity building mandates in the Doha Development Agenda.

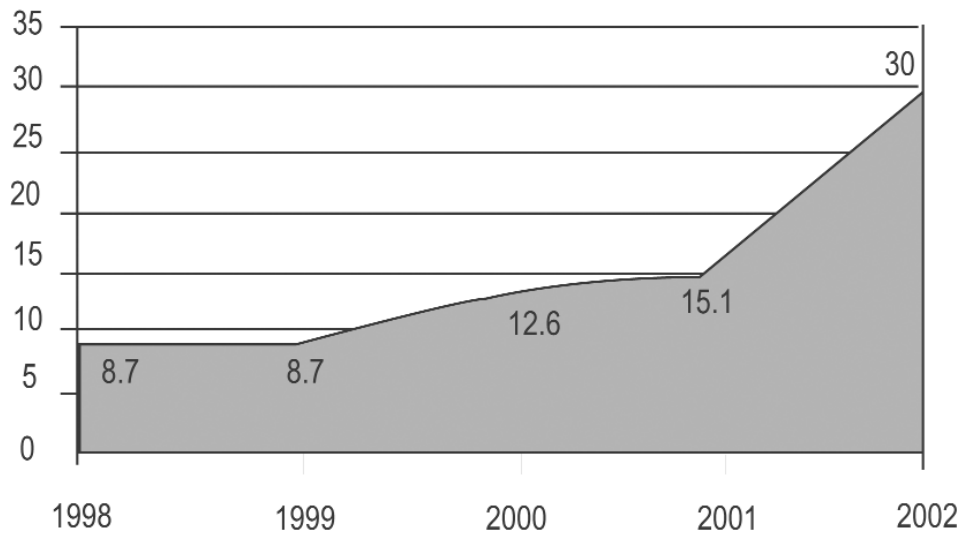
Number of technical assistance activities - 2002 figure projected



MEETING THE FUNDING CHALLENGE

Funding for WTO technical cooperation has also significantly increased. WTO Members have risen to the challenge in paragraph 40 of the Doha Ministerial Declaration for predictable funding. Since 1998, available funds for technical assistance have risen by 244 % to CHF 30 million. On 11 March 2002, member governments met in Geneva, pledging more than CHF 30 million for the Doha Development Agenda Global Trust Fund - double the target set by the General Council in December 2001

Funding for technical cooperation activities - (CHF millions, 2002 figure projected)



THE DOHA DEVELOPMENT AGENDA TRADE-RELATED TECHNICAL ASSISTANCE AND CAPACITY-BUILDING DATABASE

The WTO Secretariat has begun to give practical effect to the inter-Agency mandate for coordinated and coherent delivery of technical assistance established in the Doha Ministerial Declaration, assisted by the OECD. Agencies and country TA providers have met three times so far, making significant progress. Agreement has been reached on common objectives and also on the definition of comparable trade-related technical assistance and capacity-building categories that will be used in the Doha Trade-Related Technical Assistance and Capacity Building Database. Objectives agreed, are achieving:

- i) transparency of TRTA delivered;
- ii) exchange and sharing of information;
- iii) minimization and/or avoidance of duplication;
- iv) estimation of progress in the implementation of the Doha Mandates on technical cooperation and capacity building;
- v) coordination and coherence; and
- vi) meeting the objectives of the report mandated in para.41 of the Doha Declaration.

THE RE-VAMPED INTEGRATED FRAMEWORK

The successfully re-vamped Integrated Framework for Trade-Related Technical Assistance to Least-Developed Countries requires special mention. Supply-side constraints, which include domestic policy reforms, are perhaps the chief obstacles limiting the extent to which LDCs and other low-income countries can derive benefits from the multilateral trading system. Domestic policy reform (particularly "behind-the-border" reforms in areas such as regulatory and investment policy) plays a key role in stimulating a supply response. The IF approach links the delivery of coordinated capacity building and policy recommendations. It is an effective mechanism for addressing, in the medium to the long-term the complexity of developing countries' trade development challenges, including supply-side constraints.

Endorsed by Ministers in Doha, the IF is a viable mechanism for mainstreaming trade into LDCs' national development plans and poverty reduction strategies, and also for the coordinated delivery of trade-related technical assistance within an inter-agency, coherent policy framework. Following a review, the IF Pilot Scheme was applied in three LDCs (namely Cambodia; Madagascar; Mauritania). On the basis of the lessons learned, the agencies have extended the new IF to the second wave of 11 LDCs. A calendar for the extension is being circulated by the World Bank and will be reviewed by the IF Steering Committee at its next meeting. Total commitments to the IF Trust Fund amount to US\$ 9.8 million. Transforming the IF from an un-funded to a funded mandate has been one of the concrete achievements of the IF review process.

At the IF Heads of Agency meeting in Washington, 26 February, Agency Heads encouraged agencies and donors in a position to do so to consider providing support for mainstreaming and trade-related technical assistance to non-LDC low-income economies, building on the model of the Integrated Framework.

The key feature of the re-vamped IF lies in its expanded and enhanced governance structure. This is based on two structures: first, the Inter-Agency Working Group (IAWG) composed of the six core agencies,¹ two donor representatives, two LDC represen-

1. IMF, ITC, UNCTAD, UNDP, World Bank, WTO.

tatives, and the DAC/OECD; and second, the Integrated Framework Steering Committee, consisting of the six core agencies, donor countries, six LDCs, and DAC/OECD.

THE JITAP

The Joint Integrated Technical Assistance Programme (JITAP), delivered by ITC, UNCTAD and the WTO in eight African countries², is currently under review with the termination date of 30 June 2002. In accordance with paragraph 39 of the Doha Ministerial Declaration, the agencies, donors and beneficiaries are currently in the process of identifying ways of enhancing and rationalising the two inter-related initiatives. One of the possibilities under discussion is to incorporate the JITAP as one of the possible follow-up capacity building projects under the IF, if such needs are identified by the Diagnostic Trade Integration Studies. And in line with this option, there is also a suggestion to incorporate the JITAP Trust Fund (referred to as the: Common Trust Fund - CTF) as a Window under the IF Trust Fund.

REAL IMPACTS OF WTO TCCB ACTIVITIES

WTO Reference Centres: Since 1997, the WTO Secretariat has been installing Reference Centres in developing countries. These Reference Centres allow government officials, in capitals, to access essential documents instantly via the WTO web-site. WTO Secretariat officials provide governments with hardware, software and the training required to efficiently access such documents. As of March 2002, 109 reference centres would have been established in 88 countries including 54 in Africa, 16 in the Caribbean, 17 in Asia, 10 in the Middle East, 10 in the Pacific, 3 in Latin America, 2 in Eastern Europe.

Geneva Week: In 2002, for the first time there will be two Geneva Week sessions - the first meeting coinciding with the opening session of the Trade Negotiations Committee - thus allowing some of these resource-constrained for the first time ever to actually take part in the negotiating process. Established in 1999, "Geneva Week" brings together representatives of WTO member countries who do not have permanent missions in Geneva. During the week-long event, specific sessions are organized to cover all WTO activities and presentations by other international organizations based in Geneva, including the ITC, UNCTAD, WIPO and the ISO are also included. Geneva Week usually coincides with important activities already on the agenda, for example preparations for Ministerial Conferences or other negotiations. Additionally, the 2002 sessions have been mainstreamed, and will be funded by the regular WTO budget, rather than through trust fund contributions as been in the past.

². JITAP is implemented in eight African countries, including Benin, Burkina Faso, Côte d'Ivoire, Ghana, Kenya, Tanzania, Tunisia and Uganda.

TRAINING IS CRUCIAL

THE WTO TRAINING INSTITUTE

We have doubled the amount of training we can carry out at the WTO and are now turning to innovative way of expanding this activity

Residential Trade Policy Courses still constitute the reference activity of the WTO Training Institute, which since June 2001 has taken over the training activities conducted by the Training Division already under the GATT, then during the first years of the WTO. However, the Training Institute is now active in a number of other capacity-building-related activities which complement the work done, essentially on the field, by the WTO Technical Cooperation Division and other operational divisions involved in national and regional TA missions.

The renewed mission of the Training Institute is essentially to train civil servants of developing countries and economies in transition from WTO Member and Observer countries/customs territories as well as representatives of all least-developed countries. The training on the WTO, its rules and obligations and its functioning, is intended to be practical and concrete. It favours participatory modern methods of transmitting knowledge and skills. It takes advantage of the fact that most training activities take place at the WTO Headquarters in Geneva, to ensure that participants attend WTO meetings but also visit and interact with other international organizations active in WTO-related fields which are also based in Geneva.

Complementarity between the following WTO Training Institute's activities and the Trade-related Technical Assistance developed in the context of the follow-up to Doha is ensured at the level of the WTO Technical Assistance Management Committee.

DOHA DEVELOPMENT AGENDA INTENSIVE TRAINING COURSES FOR GOVERNMENT OFFICIALS

The WTO is now in the process of designing intensive two-week training courses for government officials, focused on the Doha Development Agenda. This advanced training programme will focus on the training of trade negotiators of WTO Members and observer countries from developing, least-developed, and transition economies. The emphasis will be systematically placed on the issues on the Doha Development Agenda.

The programme will be implemented in collaboration with academic centres of excellence, research and policy institutions in the five regions of Africa, Asia and the Pacific, Arab and the Middle East, Central and Eastern Europe and Central Asia, and Latin America and the Caribbean, it is planned to hold two such courses in each of the five regions before the 5th WTO Ministerial Conference to be held in Mexico, next year.

Beyond these intensive training courses under design, there is a strong training component in the WTO Annual TA Plan agreed by Members in the COMTD on 6 March 2002. There are approximately 18 training activities as part of the 514 TA activities requested by members in such areas of specialized workshops, seminars, national technical missions, as well as invitation by Members and observers to WTO resources persons to participate in conferences.

ENHANCED TRAINING: A DEVELOPING COUNTRY MODEL

(see separate paper on the extension of our successful training model)

Our objective is to secure funding for a rapid increase in WTO-related trade policy training courses in association with developing country universities. We know that a balanced, successful and timely outcome of the current round of WTO trade negotiations will depend on the active participation of all 144 of our WTO member governments. The WTO organises a variety of different programmes to provide training and technical advice to developing countries and economies in transition, outlined earlier in this report. These programmes represent the priorities of developing countries and have been agreed in the WTO's Committee on Trade and Development. They relate specifically to the core business of the WTO; the Doha Development Agenda, trade liberalisation and knowledge and understanding of WTO agreements and obligations. Donors have been supportive and audit and evaluation systems are in place.

But one of the key success stories of the WTO have been the intensive 12-week training courses that we run in Geneva for government officials. These provide a solid foundation of knowledge on the whole breadth of WTO issues and agreements and have been very well-received. Feedback from past trainees, including many who are now ambassadors supports this view. While further expansion in Geneva is not feasible in the near term, we have been thinking about how to get around this constraint to expand this valuable service. We have now developed a plan and are in a position to move ahead. Building on cooperative arrangements with local universities in developing countries, we hope to organise two 12-week courses starting in July 2002. One course will be arranged in Nairobi, Kenya for English-speaking African countries, and the other in Rabat/Casablanca, Morocco for French-speaking African countries. Since we first began informal discussions on this initiative, several other universities and countries have expressed interest. This is encouraging, but we need to take a first step and then expand. The product, once proven, can quickly and cost-effectively move to other places and regions.

We see this initiative not only as complementing our current activities and assisting developing countries to take active part in the current WTO trade negotiations, but also having longer term benefits in helping to build up permanent regionally based training and research infrastructure. The WTO Secretariat will have overall in setting the curriculum, selecting trainees, providing course material, engaging lecturers, ensuring quality control and follow-up with former trainees. We will also be imposing some conditionality; requiring recipient governments to put forward suitably high-ranking officials in their trade negotiating teams, who will stay, at least until the WTO's Sixth Ministerial Conference.

The feasibility of launching this initiative lies now in securing funding and we need this to be tied down by 1 June. We estimate the cost of setting up the two programmes in Nairobi and Rabat and awarding 50 scholarships to be CHF 3 million - a modest premium for an investment that promises high returns. We hope to have your support.

CIVIL SOCIETY OUTREACH

Recognising the importance of public support for its activities the WTO has deployed additional efforts to inform and consult the public on aspects of the Doha Development Agenda and the related negotiations. These include

WTO PUBLIC SYMPOSIUM

The Doha Development Agenda and Beyond. This symposium from April 29 to May 1, 2002 brought together in Geneva several hundred participants from governments, parliaments, civil society, academia and the media to discuss how the new negotiations can address key challenges facing the multilateral trading system. While this was not an official WTO event, for the first time it saw NGOs ranging from Oxfam and Action Aid to the ICFTU and the ICC, organise workshops inside the WTO. This was the second NGO symposium and participants reported favorably on the increased levels of transparency and dialogue these events have engendered.

The symposium featured a plenary meeting and work sessions on the Doha decisions. Topics included: opportunities for development; market access issues related to agriculture, services and industrial goods; the trade and environment agenda after Doha; proposals to include new subjects in the negotiations and a session on the functioning and financing of the WTO.

INTERNET AND WTO WEBSITE

A special section on the Doha Development Agenda provides a range of up-to-date information for the public on all aspects of the WTO's work to advance the Doha Agenda. The website attracts an average of 500,000 individual visitors per month, making it a prime tool for contact with the public on issues at the heart of current negotiations. Visitors to the website can obtain official documents, including negotiation proposals; obtain answers to their questions and can participate in online discussion of issues at the heart of the Doha Agenda.

PUBLICATIONS

Since the Doha Ministerial the WTO has produced several trilingual publications for public information dealing with specific aspects of the Doha Agenda and the current negotiations. These are provided free of charge in print versions and as downloadable files on the WTO website. For example, nearly 3000 copies of our Parliamentary handbook, published a year ago, were downloaded in February alone.

MEDIA RELATIONS

The Director-General has obtained extensive coverage on the Doha Development Agenda in media worldwide by frequent media statements, press conferences since the Doha Ministerial. He has outlined the WTO's views in opinion articles reproduced in national and international print and broadcast media.

"Doha represented a watershed for the WTO. It marked the beginning of a new era of negotiations which can and should provide real and lasting opportunities for developing countries to participate in the multilateral trading system. As stated in the Declaration, all WTO member governments 'recognize the need for all our people to benefit from the increased opportunities and welfare gains that the multilateral trading system generates'." **WTO Director-General Mike Moore**

