



EIF Focal Point	Mr Oumar Abderamane, Directeur du Commerce			
NSC Chair	Mr Ousmane Mahamat Nour Elimi, Secretary General of the Ministry of Trade and Industry (MTI)			
NIU Coordinator	Mr Mahamat Touka Saleh, Coordonateur Cadre Intégré Renforcé			
EIF Donor Facilitator	Mr Tetsuo Kondo, UNDP Country Director			
Approved Projects	Type	Name	Status	Approval Date
	Tier 1	Support to NIAs through ITA	Ongoing	17-Nov-2011
	Tier 1	Support to NIAs	Ongoing	09-Jun-2011
	Tier 2	Gum arabic – PRCCGA	Ongoing	11-Oct-2013
	Tier 1	DTIS Update	Operational closure	02-May-2012

Country Summary

Results

Development of a Tier 2 project on gum arabic was approved by the EIF Board in 2013;
 Development of a Feasibility Study on sesame, natrona and dates in cooperation with UNIDO as Main Implementing Entity;
 The DTIS and its Action Matrix were updated and validated at a national workshop in November 2013;
 Priority projects of the MTI including the enhancement of the institutional capacity of trade support institutions were integrated into the National Development Plan (NDP) 2013-2015;
 Provide technical support to the inter-ministerial team in charge of monitoring the preparation of the Trade Policy Review (TPR) of Chad held in July 2013 at the WTO;
 Identification of development partners in Chad active on trade issues. Update on trade-related projects funded by development partners and/or the Government;
 Audit report of the EIF National Implementation Unit (NIU) completed for 2011 and 2012.

Context

In 2013, there was a change of Government with the appointment of a new Prime Minister and a new Minister of Trade. During 2013, three Ministers of Trade were appointed, but this situation did not impact negatively the implementation of the programme because of the dynamism of the Coordinator with the support of the International Trade Adviser.

On the economic side, the Government has adopted the NDP 2013-2015. The Government has also signed an agreement with the International Monetary Fund (IMF) with the view to working to achieve the completion point for the HIPC Initiative, which will enable the country to benefit from debt relief and mobilize significant additional funds to support its economic development. Chad has also started negotiations with the World Bank to reach an agreement to obtain support for its development efforts mainly funded by the national budget.

Outlook 2014

A donor conference will be organized in 2014 by the Government of Chad around the NDP 2013-2015;
 Approval of the Feasibility Study project on sesame, natrona and dates by the EIF Board in early 2014;
 Formulation of national trade strategy;
 Signing of the Memorandum of Understanding (MOU) for, and launching of, the Tier 2 gum arabic project;
 Development of a Medium-term Programme (MTP) following the completion of the DTIS Update and its Action Matrix in 2013;
 Launch and finalization of the Mid-term Evaluation of the Tier 1 project;
 Preparation and submission of the Tier 1 Phase 2 project proposal to the EIF Board for approval;
 Chad will work with the World Bank and the IMF to achieve the HIPC completion point and hence benefit from additional funding for debt relief.
 Finalization of the Tier 2 project on hides and skins and eventual submission to the EIF Board.

I. PROJECT TYPE					
DTIS Update	DTIS Update				
Status	Operational closure				
MIE	UNDP				
Project dates	EIF Board approval: 02-May-2012 First transfer of funds: 08-Jun-2012		MOU signature: 08-Jun-2012 MOU expiry: 31-Jan-2014		
Approved EIF budget	US\$367,000				
Financial transfers	Total to date		2013 total		
	US\$334,000		US\$167,000		
Country reports received	Financial reports Received (1); Pending (1)		Technical reports Received (1); Pending (0)		
Total expenditure reported	Total to date		2013 total		
	US\$0		US\$0		
Tier 1 project	Support to NIAs				
Status	Ongoing				
MIE	Government of Chad				
Project dates	EIF Board Approval: 09-Jun-2011 First transfer of funds: 29-Jul-2011		MOU signature: 22-Jul-2011 MOU expiry: 21-Jul-2014		
Approved EIF budget	US\$900,000				
Financial transfers	Total to date		2013 total		
	US\$750,000		US\$375,000		
Country reports received	Financial reports Received (9); Pending (0)		Technical reports Received (3); Pending (0)		
Total expenditure reported	Total to date		2013 total		
	US\$523,139		US\$291,349		
II. TIER 1 RESULTS					
Goal: Chad integrates into the global trading system with a view to contributing to poverty reduction and sustainable development					
Goal Indicators	Baseline	'10	'11	'12	'13
Completed WTO accession (Y/N/In process)	Completed	Completed	Completed	Completed	Completed
Share of international non-oil trade (%)	0.03	0.02	0.03	0.02	N/A
Poverty headcount (%)	N/A	N/A	N/A	N/A	N/A
Per capita growth rate (%)	1.1	10.2	-2.9	5.7	N/A
GINI-coefficient	N/A	N/A	N/A	N/A	N/A
Purpose: To enable Chad to become fully integrated and an active player in, and beneficiary of, the global trading system through mainstreaming trade					
Purpose Indicators					
Value of non-oil goods traded (US\$ million)	2800	3450	4600	4400	N/A
Non-oil goods traded diversification (%)	0.772	0.755	0.789	0.763	N/A
Logistics performance index	1.98	2.49	N/A	N/A	N/A
World Bank doing business-trading across countries	N/A	N/A	N/A	183	N/A
Employment in non-traditional export sectors	N/A	N/A	N/A	N/A	N/A
SMEs registered for import and export trade	N/A	N/A	N/A	N/A	N/A
TIER 1 OUTCOME AND INDICATORS					
Outcome 1: Sufficient institutional and management capacity built in Chad to formulate and implement trade-related strategies and implementation plans					
Outcome 1 indicators	Baseline	'10	'11	'12	'13
O1.1: Support to NIAs (Y/N)	NO	NO	YES	YES	YES
O1.2: DTIS-AM (Date)	YES	NO	NO	NO	YES
O1.3: Fiduciary capacity (1-5)	N/A	N/A	Deficient	Good	Good

O1.4: Trade strategy updated (Y/N)	YES	NO	NO	NO	NO
O1.5: Trade Strategy quality (1-5)	N/A	N/A	N/A	N/A	N/A
O1.6 Trade strategy implemented (1-5)	N/A	N/A	N/A	N/A	N/A

O1.1:

The EIF National Implementation Arrangements (NIAs) are fully operational in 2013. The EIF National Steering Committee (NSC) met more than four times in 2013, which is an indication that the NSC is fulfilling its role of guidance and supervision. In 2013, there has been no change neither in the EIF Donor Facilitator (DF) nor the EIF Focal Point (FP) positions. The NIU Coordinator is still in place in addition to the International Trade Adviser (ITA) whose contract has been extended for an additional year.

A new Administrative Assistant has been recruited as well as an expert on Monitoring and Evaluation (M&E). During the reporting period, the NIU has, with the help of a consultant, developed a manual of procedures to help in the day-to-day management. The NIU Coordinator and the ITA attended the coordination meeting at the Ministry.

A Mid-term Evaluation of the Tier 1 project has been launched and an audit completed for 2011 and 2012. The NIU Coordinator benefited from training at the Institute for Training and Technical Cooperation of the WTO.

An experience-sharing visit was undertaken in Burkina Faso in August 2013 to learn lessons from the shea butter sector, since the NIU is preparing another Tier 2 project on shea.

O1.2:

The DTIS for Chad and its Action Matrix were validated in November 2013 during a national workshop. The DTIS draws from the Vision 2025 and the current NDP 2013-2015. Structured into 18 chapters, the Action Matrix and a summary, it analyzes all the productive sectors as well as tourism and handicraft. Part I covers the economic situation and its perspectives, the performance and options of economic diversification; Part II describes policies affecting competitiveness of enterprises; Part III describes infrastructure, services and technical support to the enterprises. This DTIS report and its Action Matrix will be useful for the preparation of Chad's next development plan starting from 2016 as well as for resource mobilization when dealing with both bilateral and multilateral partners.

O1.3:

The NIU submitted the financial reports on time despite the resignation of the first Finance Officer and the recruitment of a new officer. The EIF Trust Fund Manager (TFM) undertook two supervision missions in February and October 2013. The audit for 2012 was undertaken and the report submitted on time.

O1.4-6:

Following the completion of the DTIS Update and its Acton Matrix in November 2013, Chad is planning to formulate in 2014 a national trade strategy, which will draw both from the DTIS and the recommendations made during the TPR of Chad in July 2013 at the WTO and the priorities outlined in the NDP 2013-2015.

Outcome 2: Chad mainstreams trade into its national development strategies and plans

Outcome 2 indicators	Baseline	'10	'11	'12	'13
O2.1: Trade in the National Development Plan (1-5)	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Satisfactory
O2.2: Trade in Productive Sector Strategies (Y/N)	NO	NO	NO	YES	YES
O2.3: Public-Private Dialogue (Y/N)	Good	Good	Good	Good	Good

O2.1:

The NDP 2013-2015 takes into consideration the needs identified in the DTIS Update. A number of the priorities identified in the DTIS have been incorporated in the NDP and its projects. In this regard, we can list the following:

- Strengthening support infrastructure to the industry;
- Preparation of a Chad investment policy;
- Preparation of a Chad industrialization master plan;

Establishment of the National Agency for Standardization and Metrology;
 Development of processing industries to increase domestic value addition and jobs;
 Creation of an industrial park in Chad.

As part of the Government's will to give a prominent role to trade, a project of institutional reform of the MTI is being prepared. The aim is to provide the adequate institutional framework to effectively carry out the priorities of Chad in the areas of trade and private sector development.

O2.2:

Trade has been mainstreamed into the sector strategies, such as agriculture and livestock-breeding, as well as transport and rural development. In the NDP 2013-2015, the following projects have been taken on board on mainstreaming trade in agriculture and livestock.

Support the creation and development of SMEs around agro-processing;
 Support to transports services in rural areas;
 Support to producers in organizing marketing channels;
 Improvement of market infrastructure in rural markets;
 Support for marketing meat in the large urban centers.

O2.3:

The private and the public sector collaborate effectively through their participation in the NSC. Focus has been made on the FODEP Forum on the Dialogue between the Government and the private sector. The MTI through the NIU is also regularly consulting with the private sector through the Chamber of Commerce, a member of the NSC, or by meeting trade organizations directly.

During the development of the Tier 2 project on gum arabic, private firms working in this sector were consulted and provided valuable inputs. The private sector also actively participated at the DTIS validation workshop held in November 2013 and chaired the thematic session on "Private sector development and improvement of the business environment".

Outcome 3: Coordinated delivery of trade-related resources (funding, technical assistance, etc.) by donors and implementing agencies to implement Chad's priorities following the adoption of the DTIS Action Matrix

Outcome 3 indicators	Baseline	'10	'11	'12	'13
O3.1: Annual joint sector implementation overview (Y/N)	NO	NO	YES	YES	YES
O3.2: Frequency of Government-Donor consultation in trade (1-5)	Satisfactory	Satisfactory	Satisfactory	Satisfactory	Good
O3.3: UN CEB activities based on DTIS-AM (Y/N)	YES	YES	YES	YES	YES
O3.4: Joint donor initiatives in trade (Y/N)	NO	NO	NO	YES	YES

O3.1:

N/A.

O3.2:

The NIU has been engaged in consultations with certain donors (European Union (EU), Banque de Développement des États de l'Afrique Centrale (BDEAC)).

O3.3 & O3.4:

UNDP has been working on trade policy capacity building. The World Bank, the AFD and the EU have been working on restructuring the cotton sector, customs reform, establishment of transport infrastructure and improvement of transit through the Douala N'djamena corridor.

Chad has started consultations with the International Monetary Fund (IMF) regarding the co-operation program, and once an agreement is reached, it will facilitate as well the possibility for bilateral and other multilateral donors to provide development assistance other than humanitarian or emergency support to Chad.

Outcome 4: Chad secures resources in support of initiatives that address DTIS Action Matrix priorities					
Outcome 4 indicators	Baseline	'10	'11	'12	'13
O4.1: Medium-term Programme (1-5)	N/A	N/A	N/A	N/A	N/A
O4.2: Government budget contribution (Y/N)	NO	NO	NO	YES	YES
O4.4: Number and amount of projects funded from DTIS-AM (US\$ million)	6 55.6	2 23.5	1 3	5 27	5 28.9
<p>O4.1: The programme has been envisaged for the first trimester of 2013, but with the DTIS Update going on and also the TPR held in July 2013, the NIU has decided that the formulation of an MTP will start once the DTIS is validated and the TPR of Chad is completed. The DTIS and the TPR, in particular the Action Matrix and the recommendations, will feed into the MTP. In this regard, the formulation of the MTP will likely start in 2014.</p> <p>O4.2: The NIU managed to mobilize FCFA 450,000,000 inscribed into the national budget in 2013. This amount served to support activities related to strengthening the private sector and implementing a trade capacity building project in the gum arabic sector and also contributed to supporting the EIF programme.</p> <p>O4.3: Chad has five projects amounting to US\$28.9 million (€21.1 million), including:</p> <ul style="list-style-type: none"> - Livestock action (action bétail), €3 million; - Cattle, meat, leather sector support programme (Programme d'appui à la filière bovine, viande, cuir), €6,500,000; - Modernization of the public finances support programme (Programme d'appui à la modernisation des finances publiques), €5,100,000; - Gum arabic sector support project (Projet d'appui à la filière gomme arabique), €4,500,000; - Trade in Chad support project (Projet d'appui au commerce au Tchad), €2 million. 					
II. TIER 2 PROJECT					
Tier 2 Project	Gum arabic – PRCCGA				
Status	Ongoing				
MIE	Government of Chad				
Project dates	EIF Board approval: 11-Oct-2013 First transfer of funds: 31-Jan-2014		MOU signature: 27-Jan-2014 MOU expiry: 31-Dec-2015		
Approved EIF budget	US\$2,999,994				
Financial transfers	Total to date US\$0		2013 total US\$0		
Country reports received	Financial reports Received (0); Pending (0)		Technical reports Received (0); Pending (0)		
Total expenditure reported	Total to date US\$0		2013 total US\$0		
Project Objectives:					
<p>The project aims to achieve sustained transformation of the gum arabic sector by fostering integrated value chain linkages among actors and creating mutually beneficial relationships among sector actors and institutions. The project will therefore further integrate the country's gum arabic farmers in a well-structured and commercially viable way with intermediary institutions and service providers and marketing channels by ensuring the optimization of production methods and the commercialization of the final products. The components of the sustainability strategy include:</p> <ul style="list-style-type: none"> (a) Effective and sustainable exploitation of the raw material; (b) The structuring and organization of the sector, including distribution channels and support infrastructure; (c) Quality enhancements of traded products; and development of new export markets. 					

Case Story:

Progress on Results

The project was approved on 11 October 2013, and the implementation process has started. The support staff has been recruited and the international technical adviser, who will assume the full technical responsibility of the project, will be recruited through an international open process.

ITC and UNIDO will be implementing partners for two components of the gum arabic project and will sign the legal arrangements directly with the Government of Chad.

Brief description of fiduciary progress

Following the approval of the gum arabic project, the TFM fielded a mission in October 2013, which assisted the Ministry and the NIU to fulfil the conditions precedent to the signing of the MOU, including the revision of the work plan and the finalization of the budget.