

# EIF Annual Report

# 2016

No LDC Left Behind:  
The EIF Investing in  
Country and People



Enhanced Integrated Framework

Trade for LDC development



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# 2016

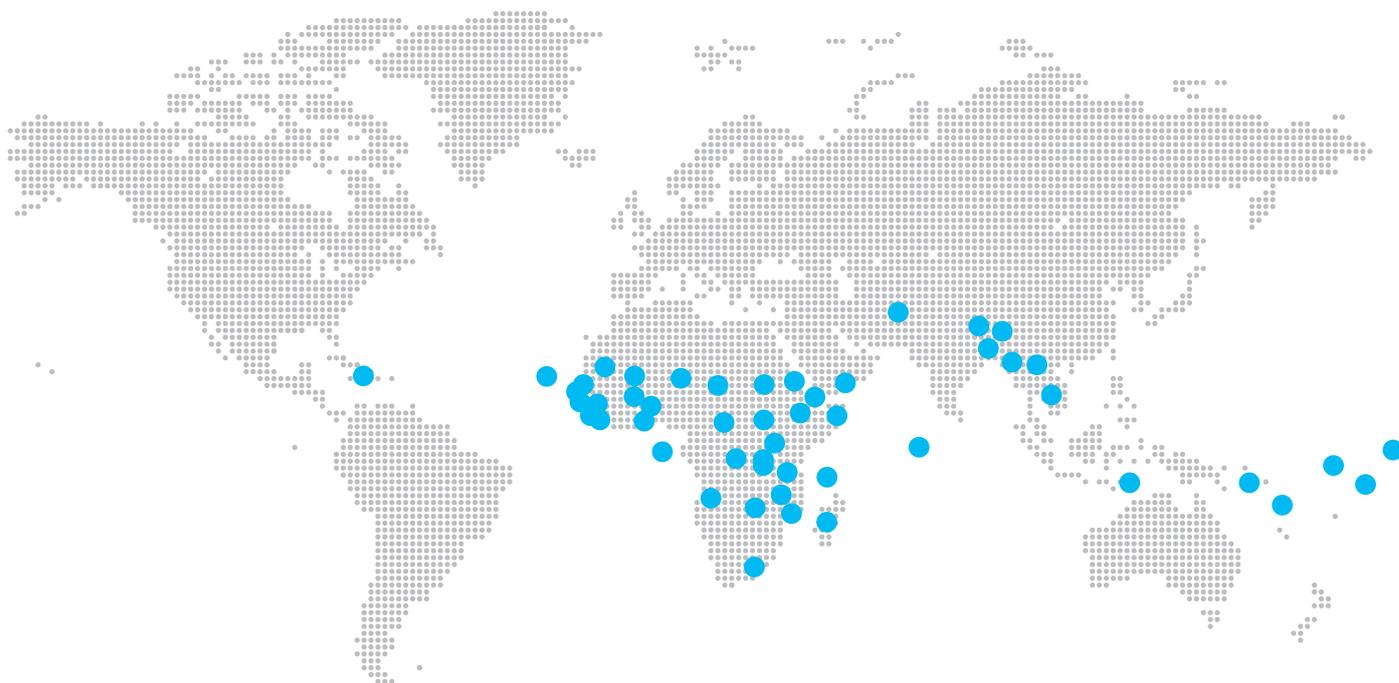
**No LDC Left Behind:  
The EIF Investing in  
Country and People**



Enhanced Integrated Framework

Trade for LDC development

# Where we work



## Africa

Angola  
Benin  
Burkina Faso  
Burundi  
Cabo Verde  
Central African Republic  
Chad  
Comoros  
Democratic Republic of the Congo  
Djibouti  
Equatorial Guinea  
Eritrea  
Ethiopia  
The Gambia  
Guinea  
Guinea-Bissau  
Lesotho  
Liberia

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Madagascar  
Malawi  
Mali  
Mauritania  
Mozambique  
Niger  
Rwanda  
São Tomé and Príncipe  
Senegal  
Sierra Leone  
Somalia  
South Sudan  
Sudan  
Tanzania  
Togo  
Uganda  
Zambia

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## Americas

Haiti

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## Asia

Afghanistan  
Bangladesh  
Bhutan  
Cambodia  
Lao PDR  
Maldives  
Myanmar  
Nepal  
Timor-Leste

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## Middle East

Yemen

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## Pacific

Kiribati  
Samoa  
Solomon Islands  
Tuvalu  
Vanuatu

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# The EIF programme is supported by



Australia



Belgium



Canada



Denmark



Estonia



European Union



Finland



France



Germany



Hungary



Iceland



Ireland



Japan



Luxembourg



Norway



Netherlands



Republic of Korea



Saudi Arabia



Spain



Sweden



Switzerland



Turkey



United Kingdom



United States of America

# Acronyms

AfT	Aid for Trade	NDP	National Development Plan
DP	Development Partner	NIAAs	EIF National Implementation Arrangements
DTIS	Diagnostic Trade Integration Study	NIU	EIF National Implementation Unit
DTISU	Diagnostic Trade Integration Study Update	PRSP	Poverty Reduction Strategy Paper
EIF	Enhanced Integrated Framework	SDG	Sustainable Development Goals
EIFTF	EIF Trust Fund	SPS	Sanitary and Phytosanitary
ES	Executive Secretariat for the EIF	TFM	EIF Trust Fund Manager
EU	European Union	TMEA	TradeMark East Africa
FDI	Foreign Direct Investment	UNCTAD	United Nations Conference on Trade and Development
HACCP	Hazard Analysis and Critical Control Point	UNDP	United Nations Development Programme
<i>icipe</i>	International Centre of Insect Physiology and Ecology	UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
ITA	International Trade Adviser	UNIDO	United Nations Industrial Development Organization
ITC	International Trade Centre	UNOPS	United Nations Office for Project Services
LDC	Least Developed Country	UNWTO	United Nations World Tourism Organization
MIE	Main Implementing Entity	WB	World Bank
M&E	Monitoring and Evaluation	WTO	World Trade Organization
MSMEs	Micro-, small- and medium-sized enterprises		
MT	Metric Tonne		
MTP	Medium-term Programme		

# Table of Contents

<i>Acronyms</i>	<i>Foreword</i>	<i>2016 Results Summary</i>
4	6	8
<i>The EIF and the 2030 Sustainable Development Goals: Synergy and coherence</i>	<i>EIF projects supporting pro-poor growth and sustainable development</i>	<i>The EIF's strategic delivery</i>
21	27	35
<i>Strengthening private sector engagement for inclusive growth and job creation</i>	<i>Accountability, financial and fiduciary management</i>	<i>Annexes</i>
55	63	71

# Foreword

2016 was an important year for the international community, as it marked the beginning of the Sustainable Development Goals (SDGs). The SDGs are at the heart of global efforts to end poverty, protect the planet and ensure prosperity for all by 2030, and they rightly recognize trade as a critical enabler of job creation and lasting growth in the Least Developed Countries (LDCs).

From the perspective of the EIF, 2016 was also an important year as it marked the beginning of Phase Two of the programme and the use of a new results framework, which will continue until 2022. The work of the EIF is fully interlinked with the SDGs. In fact, the SDGs specifically mention the importance of the EIF in achieving Goal 8: *Promote inclusive and sustainable economic growth, employment and decent work for all*; and SDG Target 8a calls for increasing Aid for Trade (Aft) to the LDCs, including through the EIF.

We began operationalizing a reform agenda in 2016, including a new strategic direction to achieve our mission of using trade to reduce poverty among the poorest countries in the world. We know that business as usual will not be enough, and this past year saw profound shifts in the way we view programming and delivery, including the way we engage with, and communicate our impact to, our stakeholders and the broader international community. The updated EIF results framework and the associated risk matrix were rolled out with rigorous risk monitoring and reporting systems, on which this report is based. On the funding side, our Donors signed the Standard Provisions and Contribution Agreements, resulting in a commitment of over 50% of the funds pledged to EIF Phase Two.

Mindful of the importance of country ownership, in the second half of 2016, we started a series of regional workshops to cultivate country buy-



in and raise awareness of our new strategic direction and its alignment with the SDGs. For the first time in the history of the EIF, a country in the Pacific region, Vanuatu, hosted a regional capacity-building workshop in collaboration with the Pacific Islands Forum Secretariat, the Commonwealth Secretariat and the WTO. This regional workshop was noteworthy, since it marked the beginning of regional cooperation on EIF programming and delivery in the Pacific, and it was followed by another workshop for the Asian EIF Countries in Bangkok in collaboration with UNESCAP.

As an equal partnership between the LDCs, EIF Donors and EIF International Agencies, few organizations embody the spirit of SDG 17 more than the EIF. SDG 17 calls for revitalizing the global partnership for sustainable development, and SDG Target 17.11 calls to double the share of LDC exports by 2020. The EIF, as the only global Aft programme dedicated to the LDCs, is best positioned to bring all stakeholders to the table and to coordinate their efforts to help the LDCs to double their export share.

The continued relevance of the EIF Partnership was further reinforced in 2016 by the inclusion of the EIF in the international development agenda. Particularly noteworthy were the references to the EIF in the outcome documents of the Comprehensive High-level Midterm Review of the Implementation of the Istanbul Programme of Action for the Least Developed Countries

for the Decade 2011-2020 and the Fourteenth session of UNCTAD (UNCTAD XIV).

In 2016, we also began expanding the scope of our partnership, by re-engineering our engagement with the private sector and by promoting South-South and triangular cooperation.

The importance of the EIF's partnership approach also extends to leveraging, which is the centrepiece of the EIF's Medium-term Strategic Plan 2016-2018. Leveraging has always been a priority for the EIF, with projects designed to be catalytic, allowing countries to build on the EIF investments to draw additional funding to implement their trade agendas. Over the coming years, leveraging will become even more important, as it will be crucial to ensure the sustainability of results once the EIF support ends. Our work will centre on supporting the private sector to maximize the potential of trade to generate broad-based increases in income and life opportunities.

This report is about our work in 2016. It sets out the strategic context in which we operate and describes key achievements from across the poorest countries in the world. You will read about how we are helping countries to

develop sustainable trade agendas that promote pro-poor inclusive growth and how we are also funding projects that empower women to better participate in the economy and allow micro-, small- and medium-sized enterprises (MSMEs) to expand their ability to export.

I would like to thank all the members of the partnership, including the LDCs, the EIF Donors and the EIF International Agencies, for all their work in achieving results in 2016. I look forward to continuing to work with you in the future, and I am confident that we will be successful in realizing our goal of better integrating all the LDCs into the global trading system in a way that contributes to poverty reduction and sustainable development.

I would also like to extend my gratitude to Mr Roberto Azevêdo, Director-General of the WTO, H.E. Mr Daniel Blockert, Chair of the EIF Steering Committee, and H.E. Ms Yvette Stevens, who was Chair of the EIF Board in 2016, for their invaluable guidance, support and cooperation.

Last but not the least, I would like to thank my colleagues both at the Executive Secretariat for the EIF (ES) and the EIF Trust Fund Manager (TFM).



Ratnakar Adhikari  
Executive Director  
Executive Secretariat for the EIF at the WTO

# 2016 Results Summary

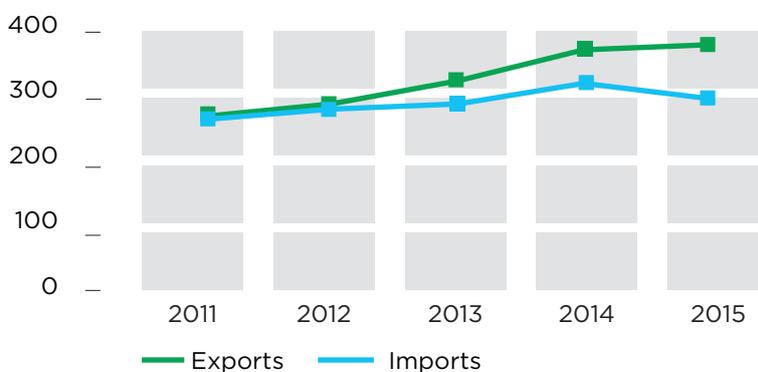
**LDCs' share in world trade (%)**

Source: WTO Secretariat



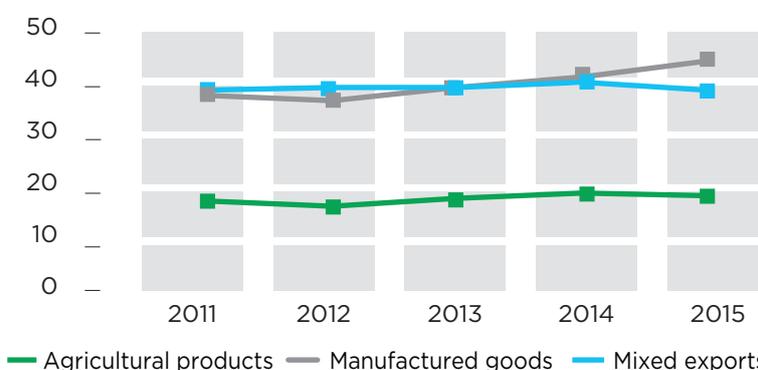
**LDCs' trade in commercial services (US\$ billion)**

Source: WTO-UNCTAD-ITC estimates



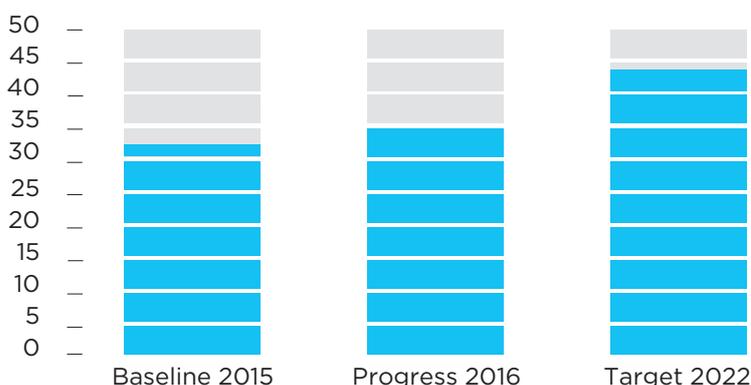
**Value of LDC exports by subgroups (US\$ billion)**

Source: WTO Secretariat



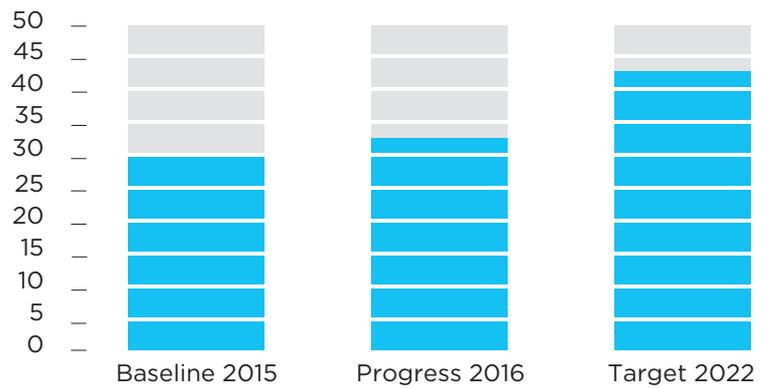
**Number of EIF Countries with trade integrated into their National Development Plan (NDP)**

Trade is being integrated into NDPs, underlining the importance of trade for development



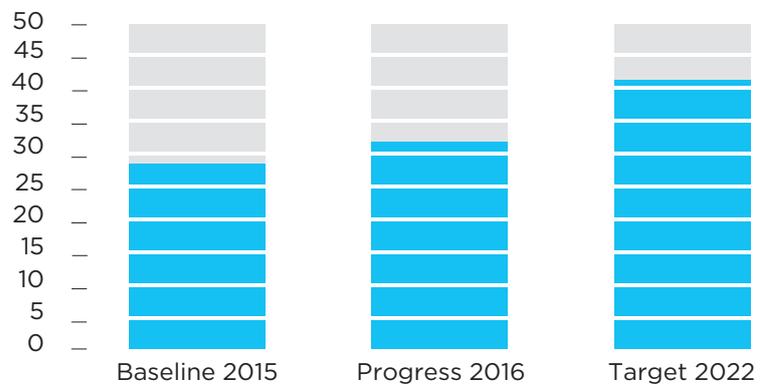
**Number of EIF Countries with effective trade coordination mechanisms**

Trade coordination mechanisms are allowing LDCs and Development Partners to work together and avoid duplication



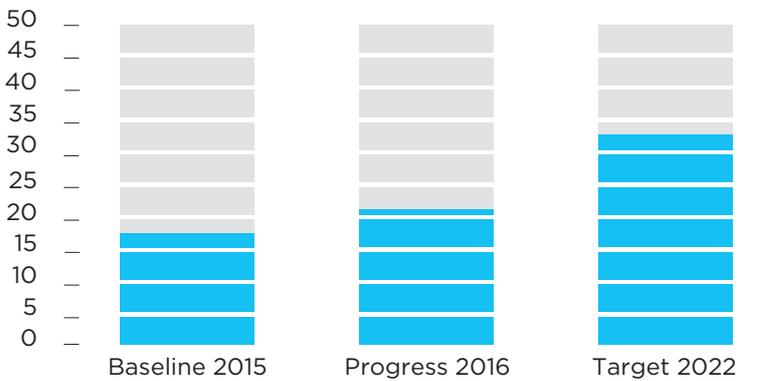
**Total number of sector-specific strategies integrating trade**

Over half of EIF Countries have integrated trade into at least three sector strategies



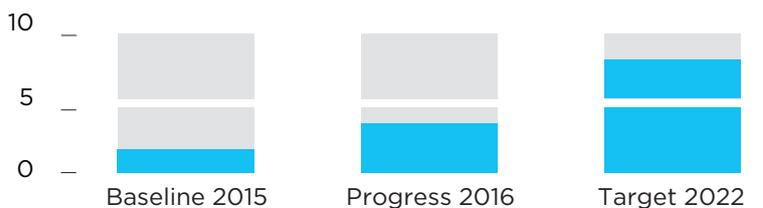
**Number of quality trade policies updated with support from the EIF**

Increasing numbers of countries have developed trade strategies with EIF support



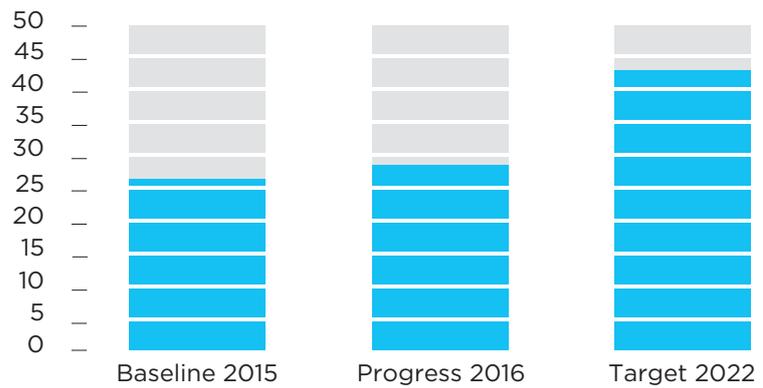
**Number of actions per country in support of improved legislation and participation in trade related fora**

EIF Countries are increasingly participating in trade-related fora and some are taking steps toward WTO accession



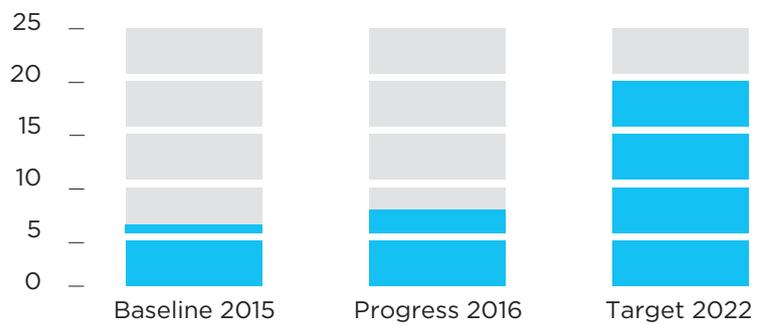
**Number of diagnostic studies developed/ updated with support from the EIF**

EIF Countries are using diagnostic studies to identify trade-related constraints and to prioritize actions to address them



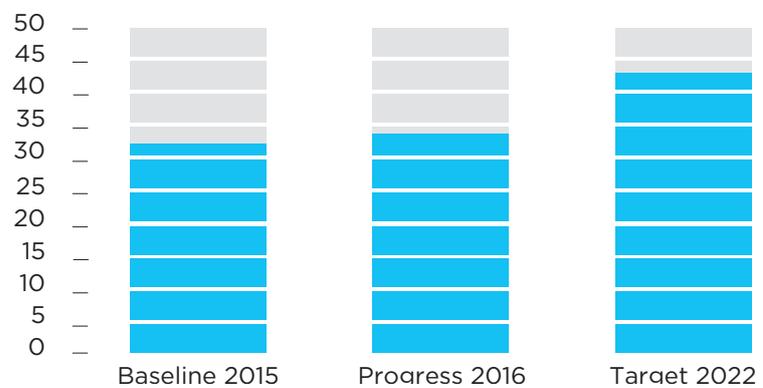
**Number of EIF Countries with EIF National Implementation Units (NIUs) integrated into the government system**

The EIF core teams are being integrated into the government system, which will help ensure the sustainability of results



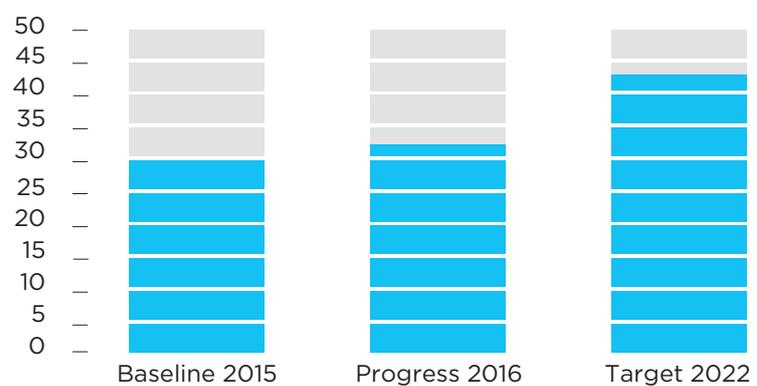
**Number of EIF Countries with quality functioning public-private coordination mechanisms**

Governments and the private sector are frequently consulting each other on trade matters



**Number of EIF Countries with a quality government-donor dialogue on trade-related matters**

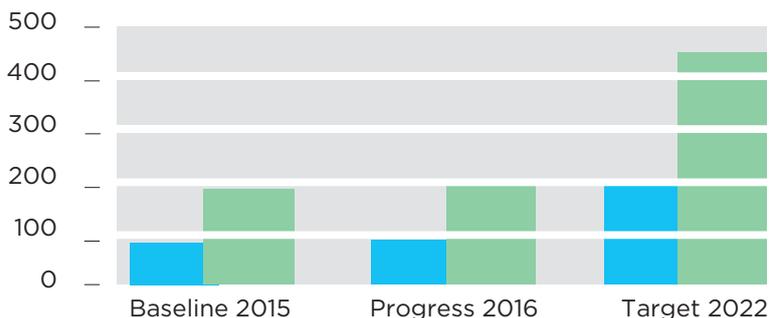
EIF Countries and donors are coordinating their interventions on trade-related matters



**Number of public officials trained per country in trade related areas**

Public officials are being trained on trade policy formulation and on how to mainstream trade into other government policies

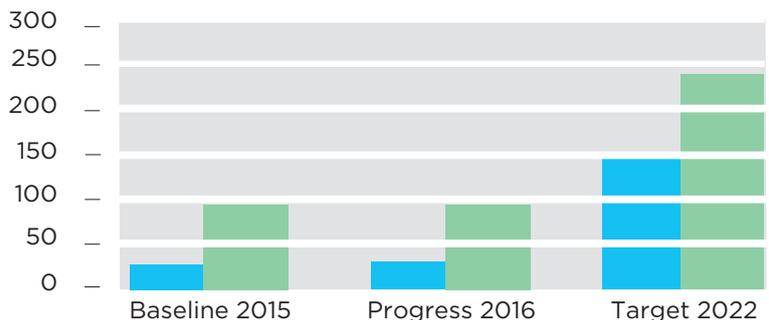
Women Men



**Number of private sector representatives trained per country in trade-related areas to participate in the national trade agenda**

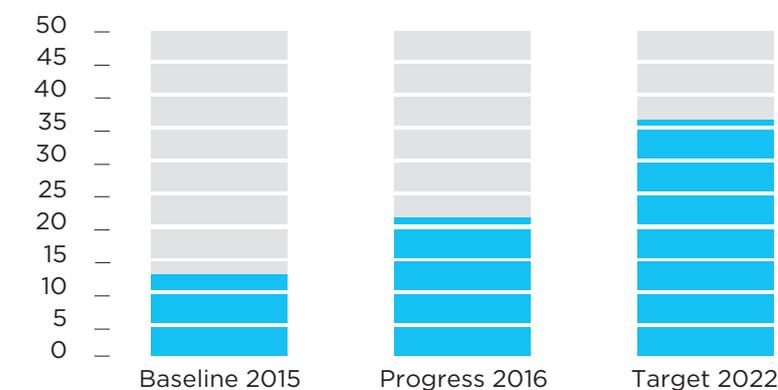
Private sector representative are being trained so that they can better contribute to the national trade agenda

Women Men



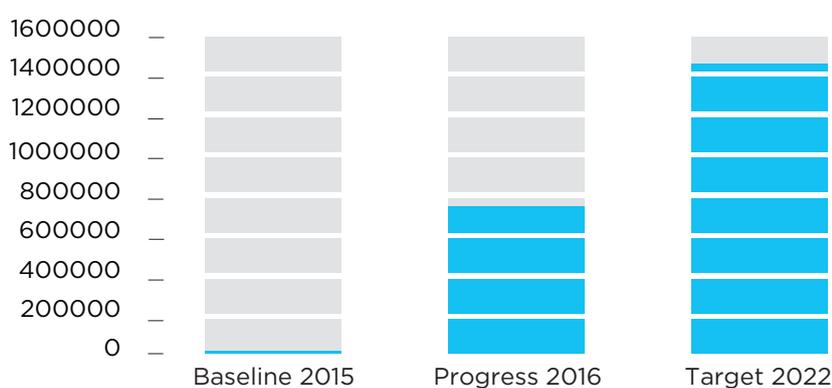
**Number of EIF Countries with quality information dissemination tools for different stakeholders**

EIF Countries are reaching stakeholders in both the public and the private sectors to raise awareness about EIF activities



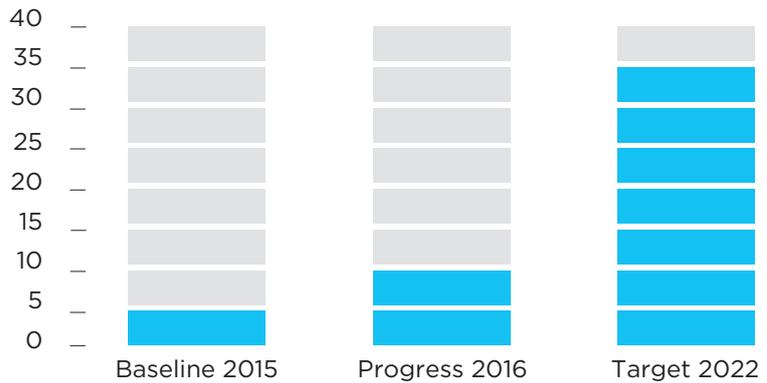
**Volume of production generated through EIF interventions**

The EIF is supporting MSMEs and small-scale farmers to increase their production



**Number of new international markets accessed**

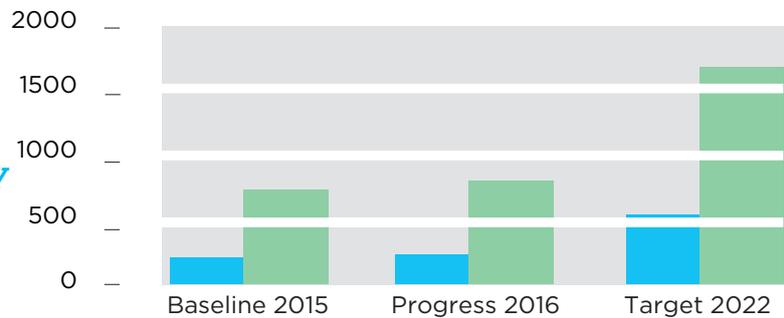
New international markets are being accessed with EIF support, leading to increased sales



**Total number of people per country receiving quality trade related training to better participate in the economy**

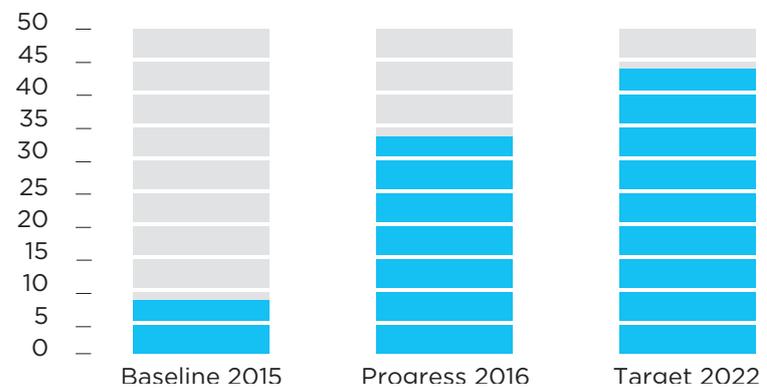
Trainings are being offered to regular citizens so that they can take advantage of the opportunities created by trade

Women (Blue) Men (Green)



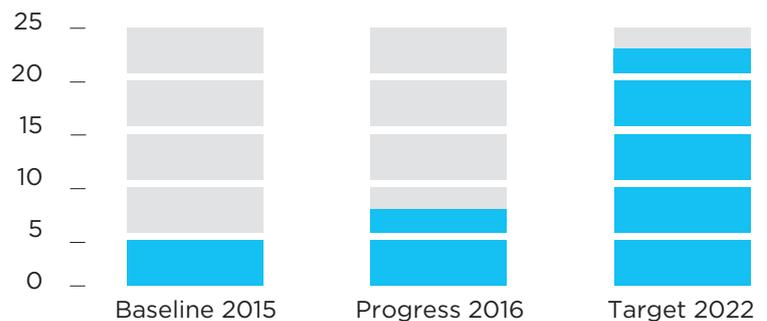
**Number of awareness raising activities conducted on gender in relation to trade**

Mainstreaming gender considerations is an ongoing priority for the EIF



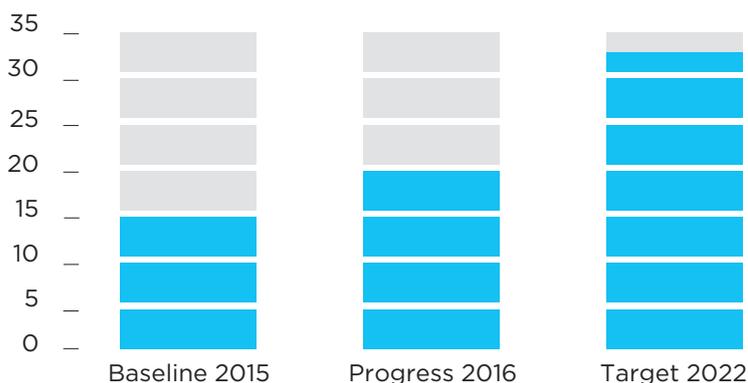
**Number of awareness-raising activities conducted on the environment in relation to trade**

Mainstreaming environmental considerations is an ongoing priority for the EIF



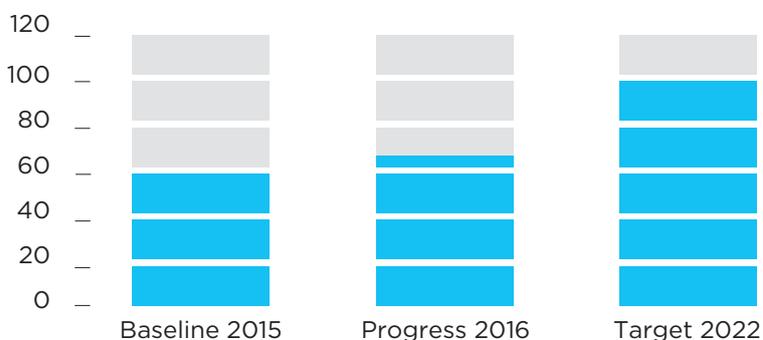
**Percentage of direct project beneficiaries that are women**

The EIF is helping create jobs for women and promoting female entrepreneurship



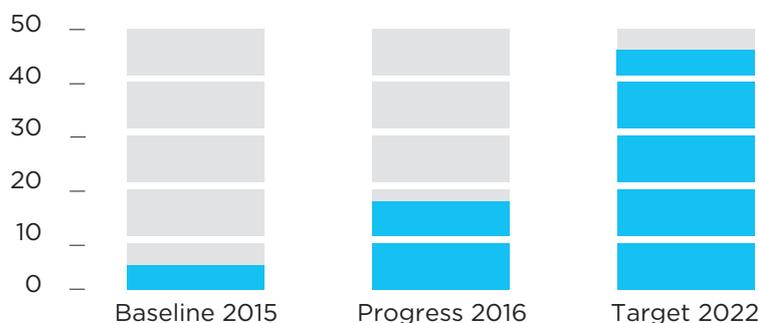
**Number of producer associations trained in value chain practices**

Producer associations are being trained in a variety of value chain practices



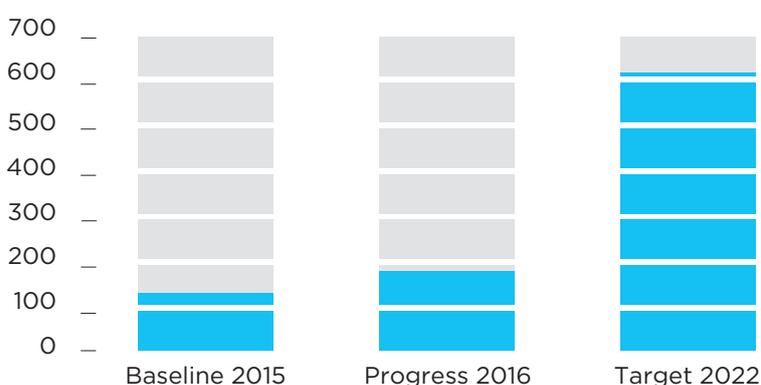
**Number of new technologies adopted through EIF supported projects**

Producers are being exposed to new technologies in order to improve long term productivity and economic growth



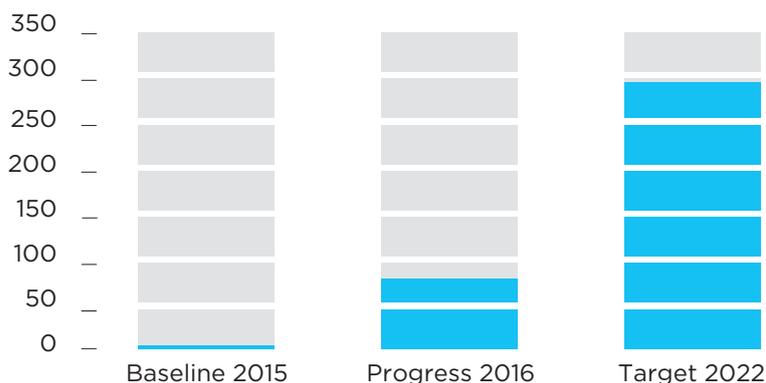
**Number of MSMEs supported through EIF projects**

MSMEs are being supported by the EIF to improve their production and create new jobs



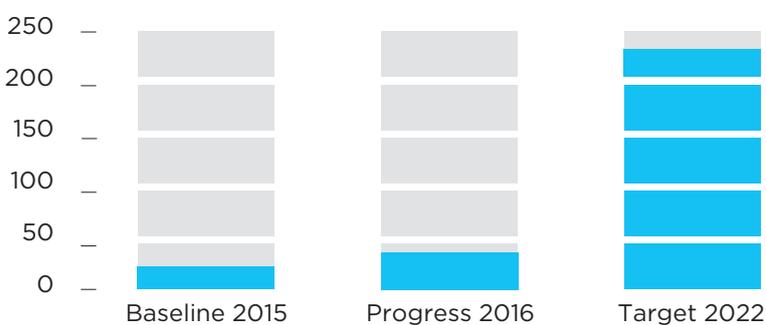
**Number of actions undertaken by all EIF partners in support of leveraging finance and expertise**

LDC governments are using the EIF mechanism to mobilize resources from the private sector and other development partners



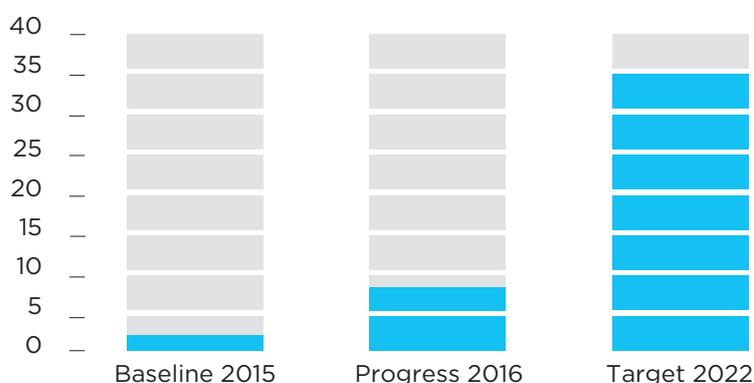
**Number of projects funded by donors related to the DTIS Action Matrix**

Countries are receiving support from Donors to implement projects from their DTIS Action Matrices



**Number of EIF projects significantly co-financed**

EIF projects are being co-financed by LDC governments, Donors, International Agencies, and the private sector



## EIF Results – Tier 2 Snapshots<sup>1</sup>

### Standards for export growth

#### Burundi

- Coordination and partnership among the National Standards Bureau, the private sector, research institutions, laboratories and traders have allowed the harmonization of over 1,000 sanitary and phytosanitary (SPS) standards at the national level.
- The World Bank is scaling up this project with support of US\$70 million.



#### Cambodia

- 268,842 metric tonnes (MT) of rice exports worth US\$146,618,197 were facilitated by the project in conjunction with the EU-funded Cambodia Rice Sector Support Project.
- 11 rice mills have received the Hazard Analysis and Critical Control Points (HACCP) food safety certification and are supporting the production of numerous smallholder rice farmers.



### Agribusiness, the base of entrepreneurship

#### The Gambia

- 1,300 farmers participated in Farmer Field Schools and as a result are equipped to grow better quality groundnuts, cashews and sesame.
- 3 cashew processors have adopted new packaging technologies (packaging machines, new consumer packages with zip-lock and informative labels with bar codes), which enabled them to sell to local supermarkets and hotels.



<sup>1</sup> These are a select number of existing Tier 2 projects currently under operation

## Lesotho

- A total of 115 greenhouses were distributed (33% of recipients were women), and over 80% of these greenhouses produce sufficient quantities of high-quality produce to help to improve nutrition and food security in the surrounding villages.
- Horticultural production has led to cash income for farmers that previously had very little. A typical monthly net income from a greenhouse is around 1,000 Maloti (approximately US\$80), although about one-third of farmers have earned around three times as much.



## Burkina Faso

- 1,020 new jobs were created in 2016 at 17 new dried mango processing units (an average of 60 jobs per new processing unit). 981 jobs were also created in 2016 at cashew processing units.
- 1,930 MT of dried mangoes were exported in 2016, which was a 60% increase over 2015, and more than four times higher than the 2013 baseline of 460 MT.
- A total of 1,458 people (24% women) participated in various trainings in 2016. The trainings helped to improve the organizational and commercial performance of the processing units and exporters.



## Gender inclusivity – key to LDC growth

### Nepal

- 1,891 ginger farmers (60% women) were trained through 54 Farmers Field Schools on seed production, storage, marketing, SPS, post-harvest loss, safe handling and location-based ginger production.
- Farm net income per kilogramme increased 15% due to reduced costs of cultivation, which in turn led to higher incomes for women.



## Malawi

- The project currently supports 3,537 farmers (58% women). About 10% of these farmers work at the processing and marketing hub, while the rest work in the surrounding communities.
- By adopting good agricultural practices, in 2016, yields for farmers at the hub were 30% more for soya beans and 42% more for groundnuts compared to smallholder farmers that are not participating in the project.
- 1,450 farmers were trained in Quality Management System in 2016, covering soya threshing, groundnut crop drying, grading of grain and storage. This training significantly improved grain quality, farmer produce standards and credibility on the local market.



## Increased income through value addition

### Zambia

- 6,580 beekeepers (30% women) have been trained on improved beekeeping methods.
- The quality of the honey has improved significantly (i.e., 60-75%). Processors highlighted that the honey bought from trained beekeepers is of superior quality compared to honey produced by untrained beekeepers.
- 18 bulking centres were constructed, and communities made in-kind contributions to the construction, which helped to create a level of ownership and an interest to maintain the facilities. The bulking centres contribute to improved quality, access to markets and reduced transaction costs.



## Tourism, the future for job creation

### Solomon Islands

- 22,346 visitor arrived in 2016, a 3.34% growth from the previous year.
- The updated National Tourism Plan was approved by Cabinet in 2016.
- 70 students graduated in 2016 with a Certificate in Tourism & Travel Studies from the Solomon Islands National University.



## Trade facilitation for efficient global trade

### The Gambia

- 95% of the construction on the new cargo facility is complete.
- 80 staff have been trained on 14 different cargo-related themes. Topics covered include handling perishable cargo, cargo security, temperature control and animal transportation.
- All equipment, including scanners and CCTV, were purchased, and installation is ongoing.
- Airport security personnel will be trained in scanner procedures and technical operation, allowing Banjul international Airport (BIA) air cargo facilities to meet international safety standards.



### Maldives

- Computerization of customs operations and management using ASYCUDA World helps to modernize customs operations and streamline procedures.
- 58 customs officers were trained in valuation, risk management and post-clearance audit in 2016.



## E-commerce for global connectivity

### Solomon Islands

- The Solomon Islands Visitors Bureau is now marketing small and medium-sized operators through its newly created and EIF-funded online portal, which includes an online Visitor Guidebook.
- This is significant, because most MSME tourism operators had not previously been marketed online, and the increased online presence has helped to promote eco-tourism on the islands. For example, tourists from seven countries in Europe, Asia and the Pacific visited Dolphin View Beach (DVB – an eco-tourism site) in 2016, up from one country the previous year.



## Textile and apparel creating jobs

### Cambodia

- Through assisting 1,500 weavers and backing 14 women-owned businesses to reach 300 prospective buyers in five export markets, the high-value silk project has served the broader aim of empowering girls and women with cutting-edge skills in silk production.
- As a result, the weavers' average monthly income from silk weaving increased by 100%.
- The 14 women-owned businesses created 88 new jobs, developed 127 new silk designs and have increased exports of Cambodian silk products by 73% since 2012. The growth in exports resulted from the acquisition of new clients and new export markets and the adoption of fair trade practices, as well as increased sales to traditional markets.



### Nepal

- On a cumulative basis, the project has provided capacity-building and training services to 1,593 Chyangra Pashmina (CP) sector participants (23% women) in the areas of international marketing, design/product development, merchandising and export readiness.
- 25 enterprises were supported to implement U.S. and Japan market penetration strategies.
- As of 2016, beneficiaries have demonstrated a 23% increase in CP export and a 21% increase in overall revenues.







# The EIF and the 2030 Sustainable Development Goals: Synergy and coherence

The EIF's work to harness the power of trade to achieve sustainable development in the LDCs is fully complementary with the vision of the SDGs to create a world without poverty.

As a unique global partnership between the LDCs, Donors and International Agencies, the EIF is perfectly positioned to help to realize the SDGs. The EIF Phase Two results framework (2016-2022) is fully aligned with the SDGs, and the EIF will report on the progress that it is making.

## The role of trade in achieving the SDGs

International trade is a key means to implementing the 2030 Agenda for Sustainable Development, cutting across almost all goals, with key links to areas such as job creation, women's empowerment, industrialization through private sector development and reducing inequality. Trade is directly related to 11 Targets under 9 of the SDGs and is indirectly related to an additional 32 Targets under 14 of the SDGs.

Notably, SDG Target 17.11 calls to double the share of LDC global exports by 2020. The EIF will be at the centre of the efforts to accomplish this ambitious goal.

## How the EIF is working to achieve the SDGs

The SDGs envisage a greater role for the EIF in delivering on the potential of trade for sustainable development. This is specifically noted in Target 8a, which calls to "increase Aid for Trade support for developing countries, in

particular Least Developed Countries, including through the EIF".

The EIF is helping the LDCs to integrate trade-related goals and targets into their national planning processes, with the overall goal of contributing to poverty reduction and sustainable development. The support provided by the EIF varies according to the particular needs and choices of each LDC, reflecting the international community's recognition that the implementation of the SDGs must take into account the realities and different capacities of each country.

## Shared goals: Links between the SDGs and the EIF results framework

The interlinkages between the EIF and the SDGs are substantial. This section outlines the EIF's role and contributions towards achieving individual SDGs. The links between these SDGs and the EIF's own results framework are delineated in Annex 1 of this report.

### End poverty in all its forms everywhere



#### The EIF's role

Trade is a key engine to create sustainable growth and to combat poverty. The EIF's work to support the LDCs in unlocking the power of trade in line with their own development strategies ensures that this vision rings true in the world's poorest countries.

#### The EIF's action

The EIF supports the LDCs to adopt trade agendas conducive to pro-poor growth and to ensure that trade is central to development plans and related sector strategies, such as those covering agriculture, fisheries and industry. The EIF also assists MSMEs in order to boost their productivity and ability to export, which in turn creates jobs and contributes to poverty reduction.



## *End hunger, achieve food security and improved nutrition and promote sustainable agriculture*

2 ZERO HUNGER



### **The EIF's role**

The LDCs are on the frontline in the battle against world hunger. The EIF recognizes that a well-functioning agricultural market is an essential element of a wider strategy to end hunger. The EIF is supporting the agricultural sector in the LDCs to increase productivity both for local consumption and for export.

### **The EIF's action**

Sixty per cent of the EIF's productive capacity building support goes to agriculture, and projects aim to diversify and intensify agricultural production and promote sustainable agriculture, including through the adoption of more efficient technologies.



## *Achieve gender equality and empower all women and girls*

5 GENDER EQUALITY



### **The EIF's role**

The EIF believes that in order to be inclusive and effective, trade-driven development needs to be gender-equitable. By empowering women entrepreneurs and supporting them in becoming export champions, the EIF strengthens communities and builds the foundations for equitable, inclusive and sustainable growth.

### **The EIF's action**

Gender inclusivity is a key result area for all projects funded by the EIF. The EIF promotes a gender-inclusive perspective in the design and implementation of trade-related programmes, legislation and policies, in order to achieve fairer and beneficial outcomes for all. Most EIF projects include various trade-related trainings, and projects are designed to ensure a high level of female participation, ranging between 20% and 60%. Many EIF projects also specifically target women-led MSMEs, and awareness-raising activities are held on topics including gender equality and women's economic empowerment. The EIF is also committed to collecting gender-disaggregated data for all of its projects.



*Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*

8 DECENT WORK AND ECONOMIC GROWTH



**The EIF's role**

Achieving Goal 8 is at the heart of the EIF, which is why Target 8.a notes that increased support to the EIF is one of the ways to achieve this goal. Research shows that businesses that export grow and expand at far higher rates, which is why trade is essential for sustainable economic growth.

**The EIF's action**

By assisting the LDCs to break into new export markets through targeted AfT support, the EIF is empowering the next generation of entrepreneurs and MSMEs to create well-paying and fulfilling jobs that drive economic growth. The EIF also helps the LDCs to adopt new technologies that contribute to their export capacity, and provides training on a variety of trade related topics, which allows people to become more equipped for the jobs created by trade.



*Build resilient infrastructure, promote sustainable industrialization and foster innovation*

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



**The EIF's role**

The EIF works with the LDC governments to achieve their priorities around diversification and industrialization and moving up regional and global value chains. The EIF helps the LDCs to identify key infrastructure and policy bottlenecks, prioritize among them and then leverage the finance to address them.

**The EIF's action**

The DTIS process allows the countries to use a sector-by-sector approach in identifying needs related to infrastructure and industrialization. The EIF also fosters innovation by training producers in a variety of value chain practices and by promoting new types of technology.



## Ensure sustainable consumption and production patterns



### The EIF's role

Sustainability is embedded into the core of every EIF project, and this includes environmental and social responsibility. Even as the EIF works to assist the LDCs to enter the export markets of tomorrow, the partnership also provides the expertise to ensure that export growth does not occur at the expense of our planet.

### The EIF's action

Environmental sustainability is one of the cross-cutting issues that the EIF addresses in all of its projects, and awareness raising activities are held to sensitize people about the environmental impacts of EIF interventions. The EIF also ensures that trade-related sector strategies address sustainability concerns, such as tourism strategies that look at the environmental and cultural impacts of increased tourism in the LDCs; and agricultural sector strategies that address soil degradation and deforestation. The EIF also promotes new technologies that allow the LDCs to conserve natural resources and ensure efficient production.



## Revitalize the global partnership for sustainable development



### The EIF's role

As an equal trilateral partnership between the LDCs, the EIF Donors and the EIF International Agencies, few organizations embody the spirit of SDG 17 more than the EIF. Everything that the EIF does, including the contribution to doubling the share of LDCs exports by 2020, is premised on bringing all stakeholders to the table and aligning their work towards a common goal.

### The EIF's action

The partnership approach is critical to the EIF's success. Efforts are being made to strengthen the partnership between the LDCs, the EIF Donors and the EIF International Agencies, with an increased emphasis on leveraging resources to ensure the sustainability of results. In addition to the existing partners, the EIF is also developing relationships with non-profits, think tanks and the scientific community and is promoting South-South and triangular cooperation.







# EIF projects supporting pro-poor growth and sustainable development

Trade has been recognized in the SDGs as a key driver of sustainable economic development in the LDCs. However, LDC participation in international trade remains marginal and has been stagnating since 2008 at about 1.1 %, despite the LDCs accounting for 13% of the world's population. The low share results from the challenges faced by the LDCs, including low productive capacities, weak infrastructure, geographic isolation, limited inter-sectoral linkages, insufficient policies, natural disasters and conflicts. The EIF supports the LDCs in surmounting some of these challenges through trade-related interventions in the following areas, amongst others:

## Trade facilitation

The EIF supports countries to implement trade facilitation reforms so that they can benefit from streamlined customs procedures. Simplified border procedures can improve trade performance, promote growth and reduce income inequality. MSMEs are often important beneficiaries of trade facilitation efforts.

The EIF is also well suited to provide support for the implementation of the WTO Agreement on Trade Facilitation owing to the range of instruments at its disposal: (1) the Diagnostic Trade Integration Study (DTIS) and DTIS Updates (DTISUs) as analytical tools for trade facilitation; (2) the institutional support to national trade facilitation committees; and (3) the productive sector support, which can fund technical assistance necessary for the implementation of the Agreement.



### EIF support for trade facilitation in The Gambia

To help increase Gambian exports, this project seeks to facilitate trade at the Banjul international Airport by building a new cargo complex with storage space for both perishable and non-perishable goods. The new cargo facility is being equipped with modern scanners and CCTV, which will allow the airport to meet international safety standards. The project will ensure that transparent, secure and competitive airport services will be available to exporters and smallholder businesses in the horticulture, fisheries, food processing and tourism industries.

To ensure that these services are available:

- Six packaging standards were developed.
- 80 airport staff participated in 14 different air cargo-related trainings, including scanner procedures and technical operation, perishable cargo handling, cargo security, temperature control and animal transportation.
- 65 MSME representatives from the food processing, horticulture and fisheries sectors were trained in food safety and quality, as well as packaging techniques.
- Another 50 participants from MSMEs in the food and tourism sectors were trained in organization and entrepreneurship management.

The cargo complex will become fully operational in 2017, once the final construction works are completed. A 50% reduction in air cargo handling time is then expected to be achieved through the combination of the improved infrastructure, better-trained airport staff and the increased services to MSMEs. For example, the new scanner will allow large pallets to be easily scanned in accordance with International Air Transport Association safety standards, which will speed up the export process.

## Agribusiness

As part of the growing importance accorded to private sector development in the LDCs, aid is increasingly being directed to building productive capacity in agriculture, including fisheries, animal husbandry and forestry. Agriculture is the dominant sector in the LDCs and is the largest provider of jobs and food security in local communities and can therefore play a major role in achieving the SDGs.

Accordingly, the EIF dedicates over half of its productive sector support to agribusiness development. This funding can have an immediate impact on incomes and national revenue and often serves as a source for financing MSMEs, which can have further ripple effects along product value chains.



### EIF support for agribusiness development in Malawi

Malawi's National Export Strategy promotes exports and domestic value addition. Oil seeds like groundnuts and soya beans show a particularly high potential, because regional demand is strong, and Malawi's farmers are already familiar with improved methods for growing these crops. The EIF has supported Malawi to create a Rural Production, Marketing and Processing Hub to allow small-scale farmers from the neighbouring communities to each farm on 0.5 hectares, working collectively and under the supervision and training of qualified extension staff.

- 3,537 farmers (58% women) are currently supported by the project. About 10% of these farmers work at the processing and marketing hub, while the rest work in the surrounding communities.
- 1,450 farmers were trained in Quality Management Systems in 2016, covering soya threshing, groundnut crop drying, grading of grain, and storage. This training significantly improved grain quality, farmer produce standards and credibility on the local market.
- 44 farmers received training on pre-/post-harvest handling of soya and groundnuts and in turn trained members of groundnut and soya-growing clubs.

As a result of these trainings, in 2016 alone:

- Farmers produced 117 MT of soya beans (61% of the 190 MT target) and 136.14 MT of groundnuts (68% of the 200 MT target).
- The project exported 72.91 MT of soya beans to Botswana (52% of the 140.55 MT target) and 23.07 MT of groundnuts to Zambia (14% of the 164 MT target).
- Post-harvest losses in the targeted project area were reduced to 9.1%.
- With training in price comparison and bargaining, farmers were able to market their crops at prices of at least 30% higher per kg for groundnut and soya beans compared to traditional markets.

## Tourism

Tourism is one of the fastest-growing economic sectors in the world, with a high potential for sustained growth in many LDCs. Tourism can stimulate and foster economic growth while providing new sources of jobs and income, especially for women and youth. The EIF is supporting sustainable tourism development that benefits local communities and creates links with other sectors, such as by promoting the sale of local produce in tourist destinations. This approach involves promoting entrepreneurship and small businesses and empowering women and youth.



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### EIF support for tourism in Solomon Islands

Tourism has been identified as a key sector to diversify the Solomon Islands economy and to reduce dependency on goods export. Linkages to agriculture, fisheries and handicrafts are emphasized in order to promote local value chains and provide a source of livelihoods for women and youth, particularly in rural communities.

With support from the EIF tourism project:

- The Solomon Islands Visitors Bureau has established an e-trade platform, facilitating the marketing of small and medium operators who had never previously benefited from this type of exposure.

- A national tourism policy has been produced, and new tourism development legislation was also passed.

Tourist arrivals have increased significantly even in areas that had never experienced this before:

- 2016 visitor arrivals totalled 22,346, a 3.34% growth from the previous year.
- Visitor spending for 2016 was at SBD\$233 million (approximately US\$29.74 million) with an average spending of US\$190 per visitor per day.



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As part of the project, eight innovative tourism grants have been awarded to promising ecotourism projects. One of the grant recipients, Dolphin View Beach (DVB), received a grant in 2015 to refurbish bungalows and a kitchen. In part thanks to EIF support, DVB has achieved the following results:

- An average of 2 to 3 bookings per month (totalling 10 nights). DVB has received guests from the United States of America (USA), New Zealand, Japan and several European countries.
- DVB has fostered and supported the growth of micro-ancillary services, including transportation, farming, fishing and handicrafts.
- The small village community now has a permanent market centre where people sell farm produce, seafood and handicrafts. People also supply organic foods to DVB, allowing it to become part of an agricultural value chain.
- The employment and income from DVB has enabled people from the village to take their children to hospitals instead of waiting for an irregularly run health clinic.
- Cultural performances are provided for tourists, and this has contributed to the revitalization of local culture and young people learning cultural practices from their elders.

## Standards

LDCs exports, like all other exports around the world, face non-tariff measures in their destination markets. The presence of non-tariff measures is particularly large in sectors of fundamental importance for the LDCs, including textiles and agriculture. SPS measures are typically applied to agricultural products and some other products that may have inherent health hazards due to contaminants. These measures add to the cost of trading for the LDCs, as compliance with many of these measures is difficult because of lack of technical know-how, outdated production facilities and low-quality infrastructure.

The EIF is supporting the LDCs to comply with standards, especially SPS, by building their capacity, creating the necessary policies and institutional environments, and by supporting various standards-oriented initiatives aligned with the SDGs in the areas of food security, health and sustainable eco-systems.

### Enforcing standards in Cambodia's fishery sector

Cambodia's marine fishery sector employs thousands of people but is almost entirely artisanal and traditional with no major domestic processing facilities. Most exports are done informally, while formal exports are composed primarily of less value added products. The Government of Cambodia has identified marine fisheries as a key sector for export diversification. This EIF supported project will ensure that the needs of the marine fisheries product export sector are better understood and addressed, including those related to SPS.

- Four new standards related to shrimp, frozen shrimp, fish sauce and chilled and frozen crabmeat were approved by the Cambodian National Standards Council.
- Two pilot processors are receiving technical assistance for SPS compliance, with the goal of making them export-ready.
- Two processing facilities are being refurbished to comply with HACCP pre-requisite requirements, and 109 people have been trained on HACCP.
- 79 people (> 60% women) participated in three trainings organized in 2016 for value chain actors (fishermen, traders and processors) in coastal provinces, which focused on good hygiene practices and the regulatory framework.



## Textiles and apparel

The textile and apparel industry is economically and socially important in providing jobs and incomes for poor and uneducated people, most of them women. Textiles and apparel can also be an important source of foreign currency receipts. In many LDCs, textile and clothing production can be an important step-up in the value-added industrialization chain, thus aligning with several of the SDGs.

The EIF is supporting the textile and apparel industry to encourage diversification of export destinations and build the sector's productive capacity. The EIF recognizes that the participation of the private sector is important for the success of this industry and so will continue to enhance the public-private coordination mechanism and help in creating the policy and legislative environment to guide the operations of the industry while ensuring the safety of its workers.

### Pashmina in Nepal

The purpose of the Pashmina Enhancement and Trade Support project is to contribute to economic and social development through the export growth of Chyangra Pashmina (CP) products. The pashmina industry was identified as a key area in the Nepal Trade Integration Strategy.

On a cumulative basis, the project has provided:

- Capacity-building and training services to 1,593 CP sector participants (23% women) in the areas of international marketing, design/product development, merchandising, trade fair participation, export readiness, and sector information and knowledge through 44 interventions.
- As of 2016, beneficiaries have demonstrated a 23% increase in CP exports and a 21% increase in overall revenue.
- Linkages established and transactions facilitated between pashmina enterprises and Mustang-based Chyangra goat farmers yielded better prices for the farmers (about 80% higher).
- CP companies have upgraded their machinery to increase their competitiveness, and as a result, at least eight CP companies increased sales in target priority markets.







# The EIF's strategic delivery

The first four context-level indicators of the EIF logframe (LDC share of global exports, value of trade from the LDCs, AfT flows to the LDCs and Foreign Direct Investment (FDI) in the LDCs) are high-level objectives linked with the SDGs. The EIF's role in achieving these objectives is limited, but they are tracked in order to better understand the overall position of the LDCs and whether or not they are making advances in terms of trade and investment.

## LDC share of global exports

The EIF is supporting the LDCs to increase their share in global trade in order to maximize their sustainable growth prospects while creating jobs, raising wages and lifting people out of poverty.

For the past few years, the LDC share of world exports was dismal, hovering around 1.1%, before even falling below 1% in 2015. The LDC share of world imports slightly increased to 1.5% in 2015 (1.4% in 2014).

**Figure 1: LDCs' share in world trade (%)**

Source: WTO Secretariat



Although commercial services are playing an increasingly important role in global trade, the participation of the LDCs in global services trade remains negligible – only 0.8% in 2015.

In the past, LDC services export growth was driven by some LDCs in Asia, with Cambodia

and Myanmar being leading tourism destinations. But in 2015, the bulk of the LDCs' services exports originated from LDCs in Africa, benefitting particularly Ethiopia's expanding role as a supplier of air transportation services, and Tanzania and Uganda increasing their role as exporters of tourism.

**Figure 2: LDCs' trade in commercial services (US\$ billion)**

Source: WTO-UNCTAD-ITC estimates



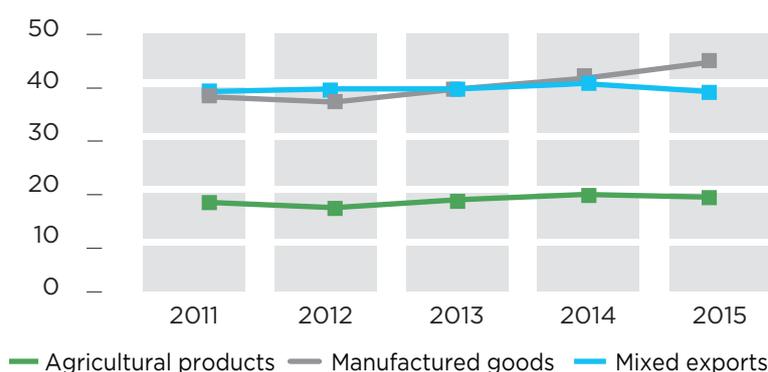
## Value of trade from the LDCs

LDC exporters of manufactured goods showed the highest average annual growth rate (6%) of all the LDCs over the past five years, followed by exporters of agricultural products (4%). However, the value of merchandise exports

(including fuels) from the LDCs suffered a 25% decline in 2015 due to lower prices for fuels and minerals. Total LDC imports declined by 9% in 2015, leading to a record merchandise trade deficit (US\$87 billion).

**Figure 3: Value of LDC exports by subgroupings (US\$ billion)**

Source: WTO Secretariat



The decline was most pronounced among the primarily commodity export-dependent group of African LDCs and Haiti and least pronounced among the services export-oriented group of island LDCs (Table 1). Imports of goods and services also contracted for the LDC group,

falling from US\$334 billion in 2014 to US\$305 billion in 2015, leading to a trade deficit in goods and services in all the LDCs, with the fastest rise being among Asian LDCs of 32.1%, while it remained almost unchanged in Island LDCs.

**Table 1: Total trade in goods and services (Millions of current US\$)**

		2010	2013	2014	2015
<b>LDCs</b>	Exports	190,934	255,864	251,842	200,905
	Imports	220,519	312,908	333,518	305,083
<b>African LDCs and Haiti</b>	Exports	138,522	183,813	175,296	131,951
	Imports	151,278	210,631	221,764	190,199
<b>Asian LDCs</b>	Exports	51,530	70,806	75,254	67,755
	Imports	66,416	99,218	108,666	111,888
<b>Island LDCs</b>	Exports	882	1,244	1,292	1,199
	Imports	2,826	3,058	3,087	2,996

Source: UNCTAD secretariat calculations, based on data from the UNCTADstat database.

## AfT flows to the LDCs

As part of the AfT agenda, the international community has recognized the EIF as the premier programme to provide tailor-made trade policy support and related technical assistance to the LDCs. However, stable long-term finance

remains a key constraint for sustainable and inclusive growth in the LDCs. The structural transformation of LDC economies will be more easily reached if AfT achieves an appropriate level.

**Table 2: AfT flows to the LDCs (Current prices in US\$ millions)**

	2011	2012	2013	2014	2015
<b>Commitments</b>	52,181.89	47,166.34	63,055.35	51,977.71	56,834.93
<b>Disbursements</b>	49,912.72	45,867.96	54,213.55	46,952.55	46,486.28

Source: OECD.

## FDI in the LDCs

FDI is a relatively important source of finance for the LDCs, because it has the potential to bring a package of benefits, including managerial and technical skills, intra-firm finance, technology

transfers and spillovers, and access to new markets. FDI flows to the LDCs jumped by one third to US\$35 billion from 2014 to 2015, but this still accounted for only 2% of global FDI inflows.

**Table 3: FDI in the LDCs**

		2013	2014	2015
<b>Amount (billions of US\$)</b>	FDI inflows	21	26	35
	FDI Outflows	8	5	3
<b>Share in world (%)</b>	FDI inflows	1.5	2.1	2.0
	FDI Outflows	0.60	0.4	0.2

Source: UNCTAD, FDI/Multinational enterprise database.

FDI flows to the LDCs primarily target extractive industries in resource-rich LDC economies. Since 2011, seven mineral exporters have been the largest recipients of FDI flows to the LDCs, but in line with the downward pressure on mineral commodity prices, their FDI fell by more than 25%, and FDI to three of them – the Democratic Republic of the Congo (DRC), Mozambique and Zambia – showed negative growth. By contrast, the majority of fuel exporters reported positive gains. Angola (up 352% to US\$8.7 billion) became the largest FDI recipient among the LDCs in 2015. This upturn in Angola more than compensated for the drop in FDI in other LDCs.

## South-South investment flows as a growing share of FDI

Developing economies are now major sources of investment in the LDCs. FDI flows from developing countries, particularly the economies of Brazil, Russia, India, China and South Africa, have been on the rise. Measured by FDI stock, China has become the largest investor in the LDCs, ahead of the USA. The largest number of investment projects undertaken by Chinese and Indian firms is in the services and manufacturing sector, gaining a “first mover advantage” in many of these sectors. If this trend continues, it is likely that multinational enterprises from developing economies will play a greater role in the manufacturing and services sectors in the LDCs.

# The EIF's direct impact

## *EIF Countries own a trade agenda conducive to sustainable pro-poor growth*

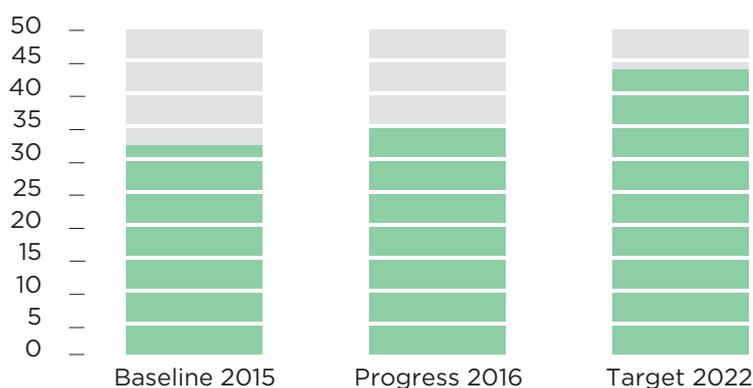
Pro-poor growth empowers poor people to both participate in and benefit from economic growth and is critical for long-term poverty reduction and sustainable development. The EIF is helping countries to create a policy environment that is conducive to pro-poor growth, with a specific focus on MSMEs and private sector development. A pro-poor lens is also being applied to sectors where many poor people work, including agriculture, textile and apparel and tourism.

### Number of EIF Countries with trade integrated into their National Development Plan (NDP)

As the overarching framework to coordinate the delivery of AfT to the LDCs, the EIF is helping countries to make trade a key part of their NDPs and Poverty Reduction Strategy Papers

(PRSPs). The number of EIF Countries with trade integrated into their PRSPs/NDPs increased by three in 2016, bringing the total to **35**.

**Figure 4: Number of EIF Countries with trade integrated into their National Development Plan (NDP)**

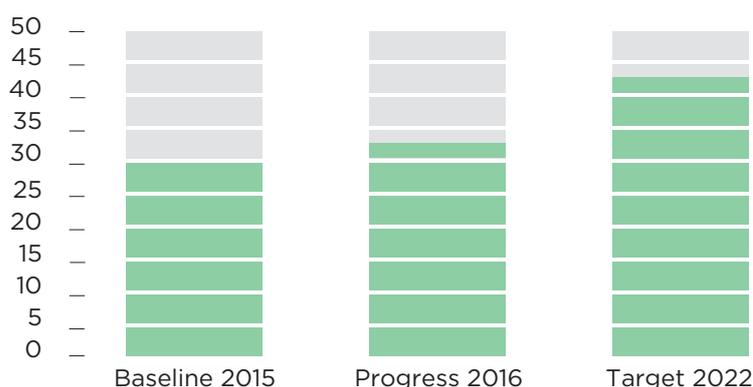


## Number of EIF Countries with effective trade coordination mechanisms

Aid is better delivered when key actors in both the public and private sectors work together on the national trade agenda. Trade coordination mechanisms allow development partners (DPs) to monitor trade-related activities and ensure

that initiatives are complementary, while avoiding duplication of efforts. By the end of 2016, three more countries achieved the objective of establishing effective trade coordination mechanisms, bringing the total to **33**.

**Figure 5: Number of EIF Countries with effective trade coordination mechanisms**

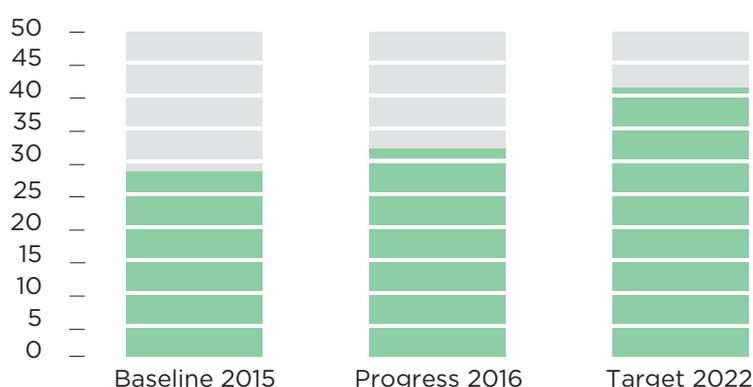


## Total number of sector-specific strategies integrating trade

EIF Countries have been mainstreaming trade into many sector strategies, including those related to agriculture, tourism, energy, industry, environment, information and communication technology, transportation, infrastructure and

MSMEs. This is a result of a strong coordination and engagement between the trade ministry and other line ministries. By December 2016, **32** countries had trade integrated into at least three productive sector strategies.

**Figure 6: Total number of sector-specific strategies integrating trade**



## Improved evidence-based policy inputs supporting pro-poor trade

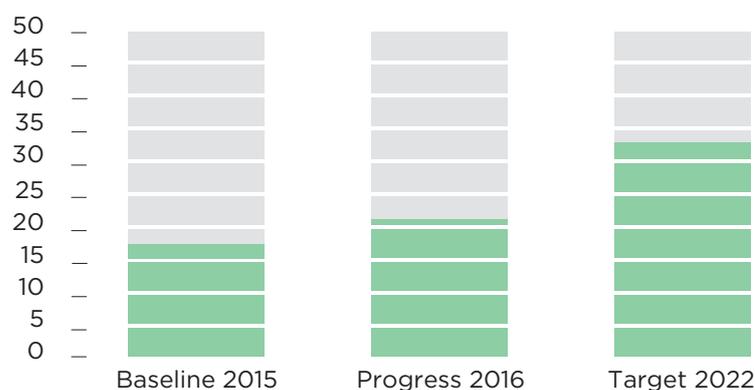
Inadequate and outdated trade policies are a major constraint to the LDCs' capacity to trade. In response, the EIF funds the development of trade policies, including updates, in order that they reflect changes in the global trade policy environment. In addition to working with the LDCs on developing quality trade policies, the EIF also supports the private sector and civil society to engage on a national pro-poor trade agenda. This creates a win-win situation for policy makers, trade analysts and the business community.

### Number of quality trade policies updated with support from the EIF

In 2016, four countries produced trade and/or trade-related policies with the support of the EIF, bringing the total number to **21**. These trade policies identify competitive advantages and necessary productivity improvements, following a sector-by-sector approach. The EIF also helps to ensure that the trade policy development process includes effective stakeholder

engagement and that the final documents are gender-inclusive and pro-poor, with links to other formally adopted national strategies. The adopted trade policies also identify key target markets, take into account the corresponding quality standards and cover issues relating to trade facilitation and infrastructure.

**Figure 7: Number of quality trade policies updated with support from the EIF**



### Number of actions in support of improved legislation and participation in trade-related fora

One way that the EIF helps the LDCs to become more active players in the global trading system is by supporting them to participate in trade-related fora and to take the necessary steps toward WTO accession. By December 2016, an average

of **four** trade-related actions per country were undertaken linked to either the WTO accession process, improvements in the domestic policy regulatory environment, or regional integration.

**Figure 8: Number of actions per country in support of improved legislation and participation in trade related fora**

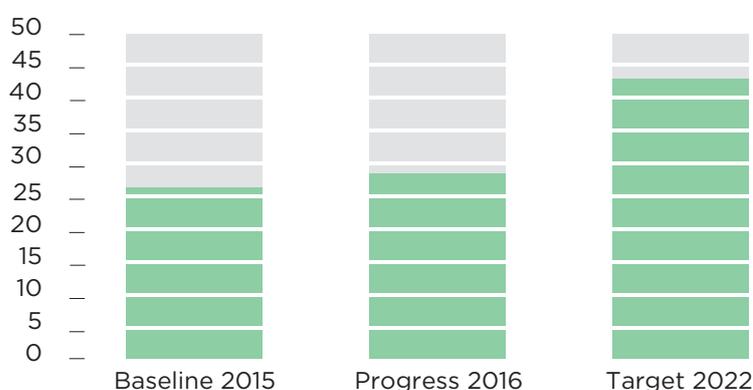


### Number of diagnostic studies developed/updated with support from the EIF

The DTIS is at the heart of the EIF partnership. The DTIS process allows countries to analyze their trade sector, including issues such as the macroeconomic outlook, potential business and regulatory reforms, trade in services, trade facilitation, protectionism and competitiveness.

The effective use of the DTIS is imperative for the LDCs to have a clear strategy on mainstreaming trade into their NDPs/PRSPs and to identify bankable projects aligned with the identified priorities. To date, **29** countries have conducted such studies.

**Figure 9: Number of diagnostic studies developed/updated with support from the EIF**



## Strengthened institutional coordination for trade and development

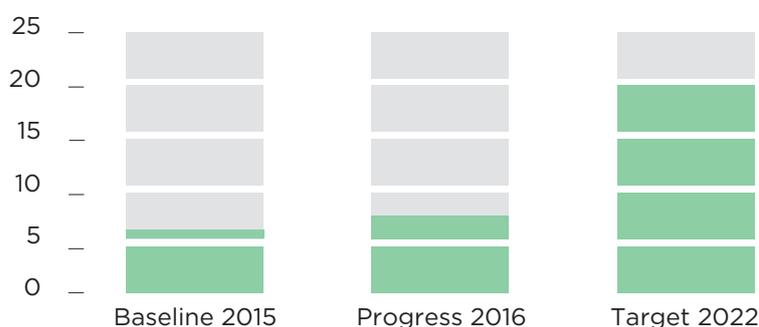
The EIF is committed to ensuring that its results are sustained beyond the end of the programme in 2022, and therefore emphasizes the need for coordination between all stakeholders, including other DPs.

### Number of EIF Countries with EIF National Implementation Units (NIUs) integrated into the government system

The EIF supports a core team in each country, housed in the trade ministry, charged with AfT-related coordination. This core team delineates an annual work plan for capacity development in the ministry responsible for trade and other trade-related line ministries, as well as for the private sector. The goal is

for these teams to become fully integrated into the trade ministries and to be supported by the regular government budget, in order to ensure the sustainability of the results after the end of EIF technical and financial support. By December 2016, **eight** core teams were fully integrated into the trade ministries.

**Figure 10: Number of EIF Countries with EIF National Implementation Units (NIUs) integrated into the government system**

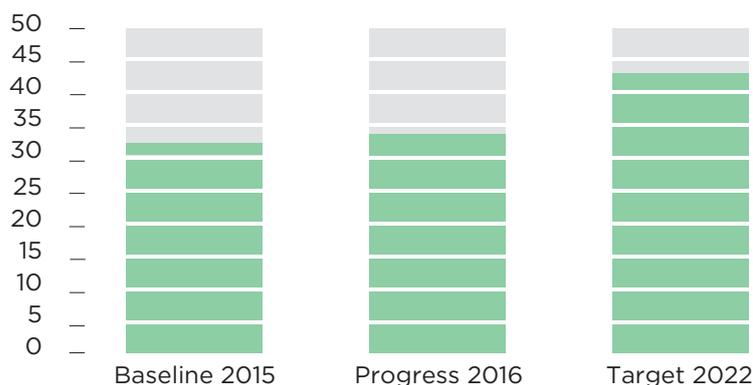


### Number of EIF Countries with quality functioning public-private coordination mechanisms

In 2016, **34** of the EIF Countries with Tier 1 ‘Support to EIF National Implementation Arrangements’ (NIAs) projects had functioning high-level public-private sector consultative mechanisms for dialogue on trade policy issues.

A very good public-private sector consultation involves frequent dialogue on trade-related issues and a strong private sector involvement in decision-making, trade policy formulation, and implementation.

**Figure 11: Number of EIF Countries with quality functioning public-private coordination mechanisms**

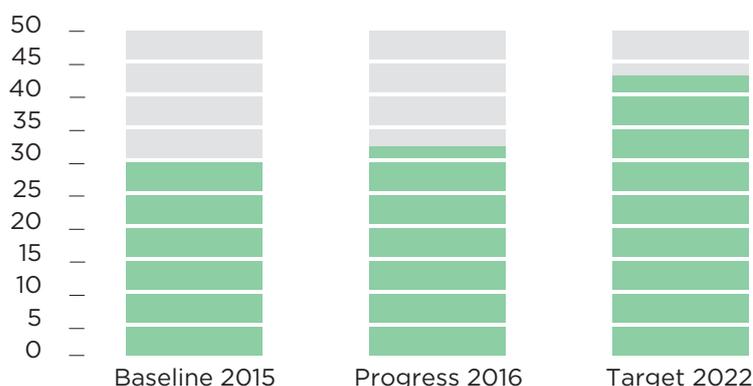


### Number of EIF Countries with a quality government-donor dialogue on trade-related matters

The EIF supports the establishment of government-donor mechanisms on trade-related matters, and in 2016, **32** countries had very effective government-donor mechanisms composed of donor representatives and senior public sector officials, who meet at least

twice a year to coordinate donor interventions on trade policy issues. These mechanisms provide synergies between government and donor actions on trade issues and can lead to the development of projects with common objectives linked to the national trade agenda.

**Figure 12: Number of EIF Countries with a quality government-donor dialogue on trade-related matters**



## Enhanced human capacity for trade and development

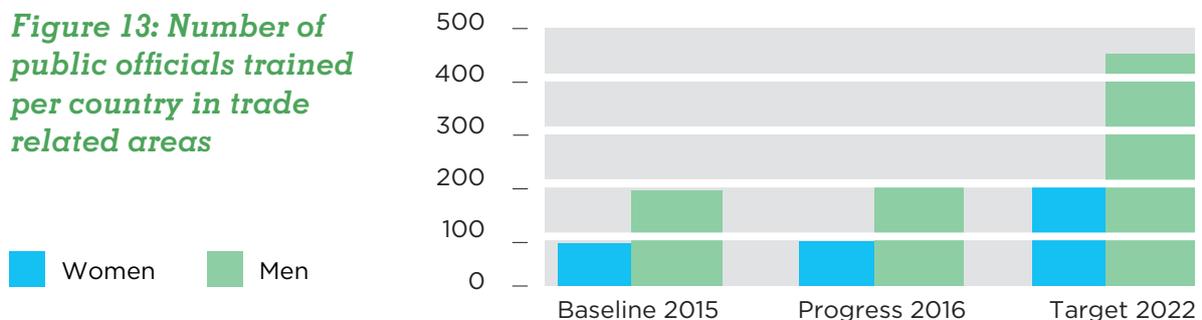
A number of institutional and resource constraints continue to work against the LDCs' capacity to design and implement trade-related development interventions. To help address these constraints, capacity-building is pivotal and is therefore a key pillar of EIF support.

### Number of public officials trained in trade-related areas

Based on national capacity development plans designed through national consultative processes, **286** officials per country were trained in trade-related issues in 2016. Topics covered include policy formulation, reform

implementation, trade facilitation, trade mainstreaming, gender mainstreaming, project management and results monitoring. On average, **30% of the trainees were women.**

**Figure 13: Number of public officials trained per country in trade related areas**

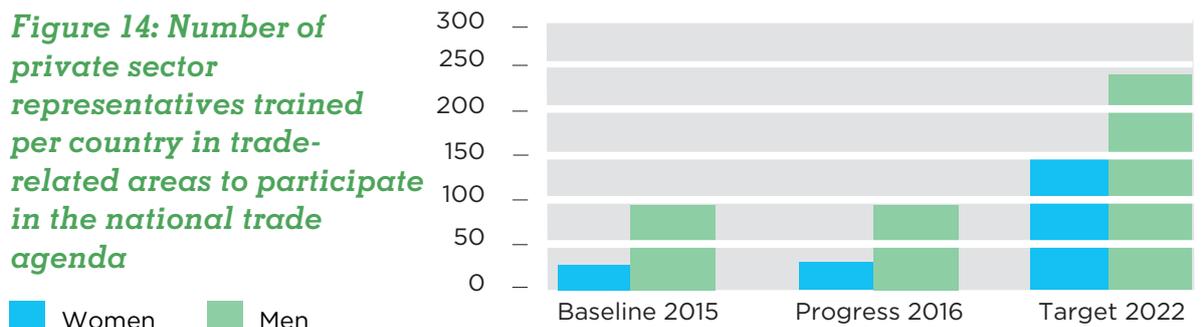


### Number of private sector representatives trained in trade-related areas to participate in the national trade agenda

A successful poverty reduction strategy and effective partnership for trade development can only be built on the platform of solid private sector involvement. Building the requisite capacities in the private sector is central to the

EIF's in-country interventions. On average, **125** private sector officials were trained per country in 2016 in trade-related areas, including trade facilitation, value chains, SPS, standards and quality, MSME development and taxation.

**Figure 14: Number of private sector representatives trained per country in trade-related areas to participate in the national trade agenda**



## Number of EIF Countries with quality information dissemination tools for different stakeholders

Information and results dissemination is central to the success of the EIF. The objective is to identify and reach stakeholders in both the public and the private sectors, including end users, in order to raise their awareness of the EIF and to encourage them to participate in the trade development

agenda and related projects. In 2016, while all EIF Countries were disseminating information on the EIF, **22** countries were actively doing so using different tools, such as websites, social media, newsletters, publications, information-sharing exchanges, meetings and trade fairs.

**Figure 15: Number of EIF Countries with quality information dissemination tools for different stakeholders**



## EIF Countries increase their presence in international markets

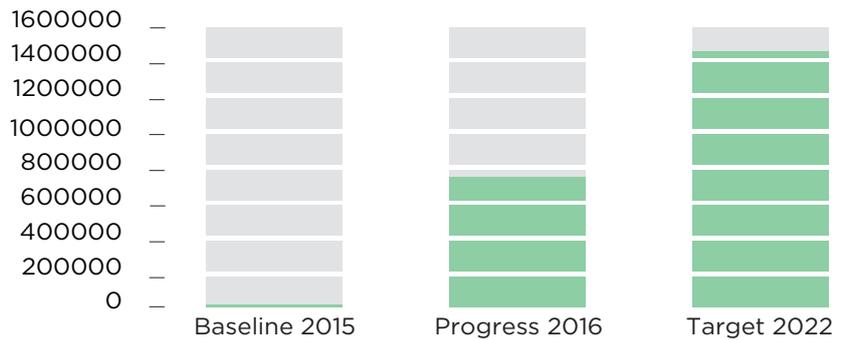
The SDGs call for a doubling of LDC exports. Two main elements to achieve this goal are to increase productive capacity and to improve market access conditions for the LDCs. These two elements are closely related, as even the best market access conditions cannot be exploited if productive capacity is unable to meet the requirement of increasingly demanding international markets. The EIF is supporting the LDCs to improve their market access by meeting the requirements linked to productive capacity, such as non-tariff measures.

### Volume of production generated through EIF interventions

While all DPs are poised to assist the LDCs to increase their share of global trade, the EIF focuses its attention on supporting small-scale farmers and MSMEs in this venture. In 2016, EIF Countries reported producing **760,000 MT** of 11 different products through Tier 2 projects, with rice, sesame

seeds, ginger, cashew nuts and groundnuts constituting the bulk of production. While total production is not a good indicator of productivity, it provides a picture of the basket of production supported by the EIF and a means of tracking productive levels.

**Figure 16: Volume of production generated through EIF interventions**

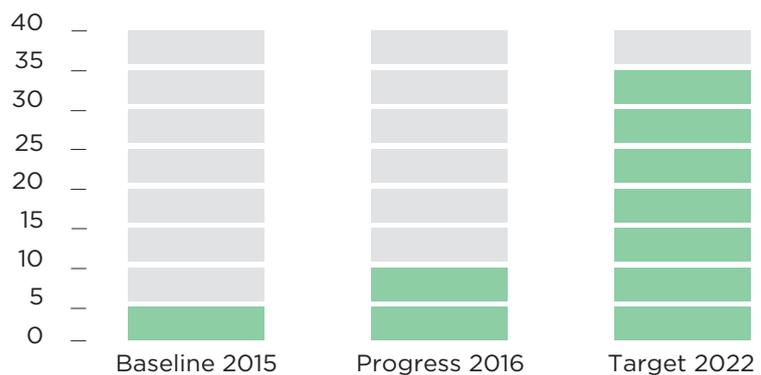


### Number of new international markets accessed with support from the EIF

Markets accessed include any new buyers/export contracts signed through EIF-funded projects that led to exports. In 2016, 14 countries

reported to have exported through EIF support, and **10** new markets were reached in 2016.

**Figure 17: Number of new international markets accessed**



### Support to EIF beneficiaries, particularly women and youth, to participate in EIF capacity-building initiatives

#### Total number of people receiving quality trade related training to better participate in the economy

While the EIF supports trade capacity-building in trade-related line ministries, it also extends such training opportunities to other citizens, with an emphasis on women and youth. In 2016 alone, an average of **820** people per country received

various trade-related training, of which **30% were women**. In EIF Phase Two, countries will be encouraged to have a minimum of 30% women participation in all trade-related trainings.

**Figure 18: Total number of people per country receiving quality trade related training to better participate in the economy**



### Number of awareness-raising activities conducted on gender and the environment in relation to trade

Mainstreaming gender and environmental considerations is an ongoing priority of the EIF. During the design and appraisal stages of project development, prospective projects are required to indicate how they would address both dimensions. The selection of priority

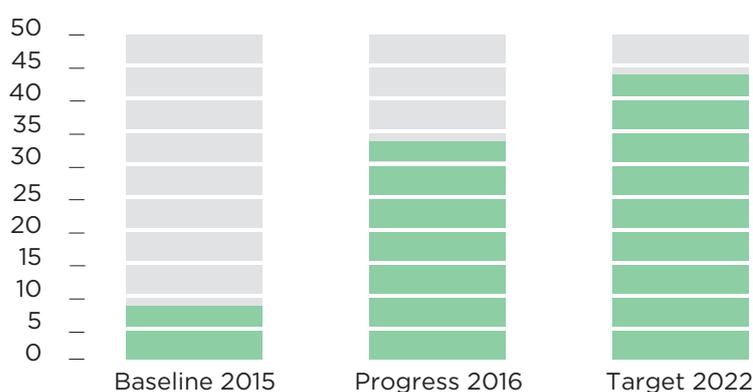
projects arises from close consultations with the major in-country stakeholders and reflects the potential contribution of the projects to export growth and their impact on poverty alleviation, women’s economic empowerment and environmental protection.

## Gender

The expansion of trade brings growth as well as new opportunities for everyone, but it impacts men and women differently. Women can gain from trade, if the sectors in which they are mainly active expand or if they are empowered to participate in new sectors that are growing through trade. Sound trade and development policies are therefore required to extend equal opportunities to both women and men to access the positive benefits of trade.

Acknowledging that women can contribute significantly to economic growth and poverty reduction, the EIF promotes a gender-inclusive perspective in the design and implementation of trade-related programmes in the LDCs in order to achieve fair and beneficial outcomes for all. In 2016, a total of **33** gender-related activities were reported, covering issues such as gender equality, women’s economic empowerment, equal access to project resources and capacity development.

**Figure 19a: Number of awareness raising activities conducted on gender in relation to trade**

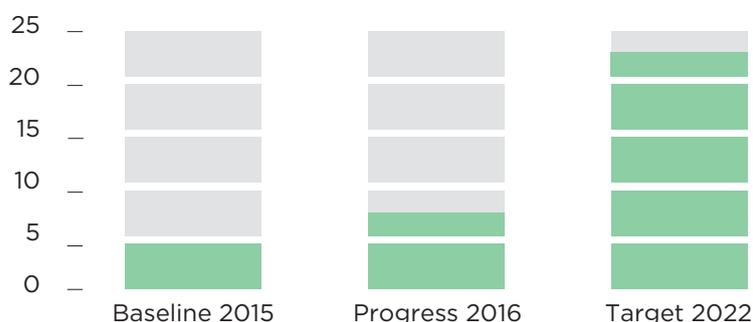


## Environment

Environmentally sustainable growth requires adequate public policy and regulatory frameworks to guide the growth process and to protect the environment so that the benefits of growth can reach the poorest and most vulnerable people. It is because of this that the EIF supports trade development projects that are environmentally sustainable and include poverty reduction strategies. This means estimating the effects

of EIF-funded projects on the environment and implementing the necessary mitigation measures. An average of **eight** types of awareness-raising activities on environmental issues were held by the three countries (Chad, Mali, Niger) with environmentally-related projects, covering topics such as climate change, environmental protection, deforestation, soil degradation and soil erosion.

**Figure 19b: Number of awareness-raising activities conducted on the environment in relation to trade**

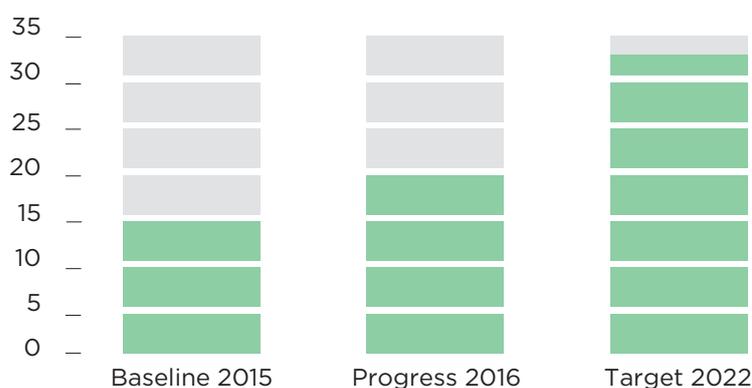


### Percentage of direct project beneficiaries that are women

The EIF is promoting economic diversification through private sector development, including an explicit gender perspective, underlining the importance of small-scale women producers, traders and entrepreneurs in the national economy. The need to create jobs for women,

drive female entrepreneurship and raise their standard of living is a motivating factor behind the projects supported by the EIF, and in 2016, approximately **20%** of direct project beneficiaries were women, up from 15% in 2015, and the percentage reached 60% in some projects.

**Figure 20: Percentage of direct project beneficiaries that are women**



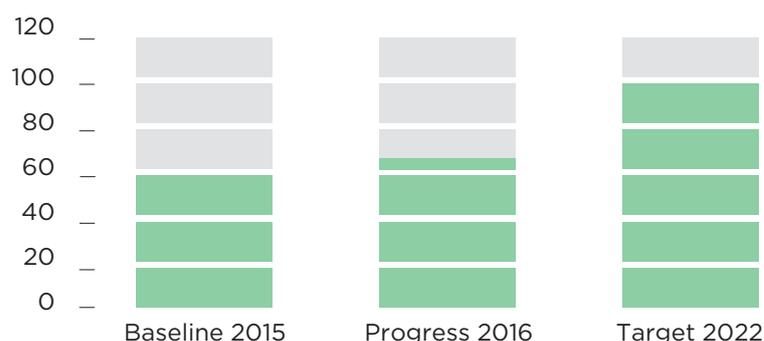
## Support to boost productive capacities and access international markets

### Number of producer associations trained in value chain practices

The EIF supports productive capacity development in the agricultural sector, because it triggers a multiplier effect along the product value chain from production, marketing, logistics, processing, packaging and distribution, which in aggregate can extensively impact growth and poverty reduction. For similar reasons, the EIF supports the fisheries and tourism sectors in order to promote local value chains and provide

a source of livelihoods for women and youth, particularly in rural communities. In 2016, **66** producer associations were trained in value chain practices, including packaging, storage, logistics, processing, product quality, standards, and reducing post-harvest loss. 10,039 men, 5,271 women and 928 youth participated in at least one of the trainings.

**Figure 21: Number of producer associations trained in value chain practices**

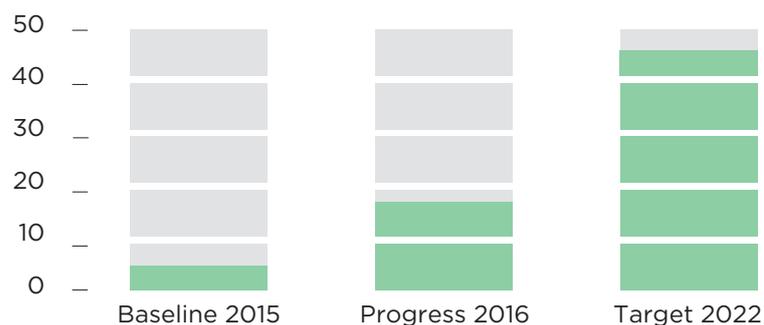


### Number of new technologies adopted through EIF-supported projects

The EIF is promoting technological change in order to drive long-term productivity and economic growth, especially in the agricultural sector. In 2016, producers were exposed to **17** types of new technologies, including agricultural crop varieties, new machinery, and processing methods. While adoption is a process that

takes time based on the level of knowledge and exposure of the participants, it is expected that the 8,210 men and 6,900 women exposed to the new technologies will adopt at least one of them over time.

**Figure 22: Number of new technologies adopted through EIF supported projects**

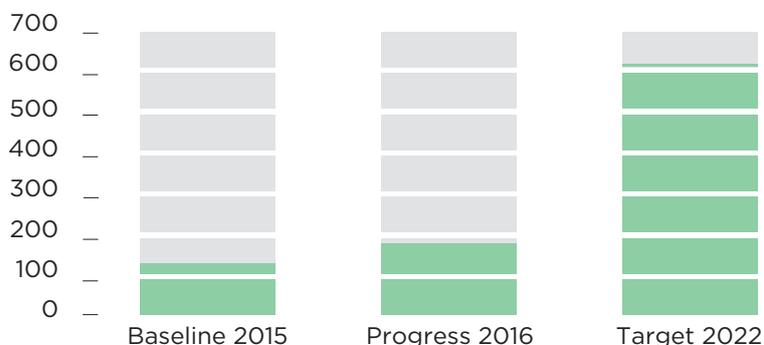


### Number of MSMEs supported through EIF projects

The EIF supports LDC governments to create the enabling environment to trade and provides small-scale catalytic grants to implement projects for MSME growth. These projects allow MSMEs to create jobs in labour-intensive

sectors, including agro-processing, services in the tourism sector, and in the textile and apparel industry, all of which have a high level of women participation. In 2016 alone, **189** MSMEs were supported through EIF-funded projects.

**Figure 23: Number of MSMEs supported through EIF projects**



## Support to EIF Countries to leverage additional funding

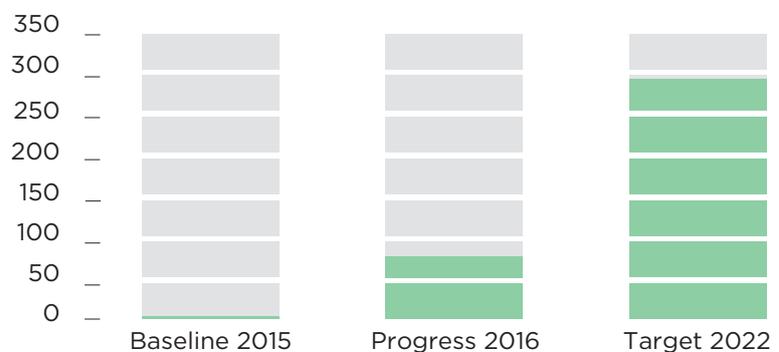
Faced with several constraints to boost productivity and fully participate in global trade, the LDCs need special and targeted support from the international community, with a view to attracting the required resources, both technical and financial, from domestic and foreign DPs. Such support is crucial to improve efficiency for commodity-dependent LDCs. The EIF is opening up access to resources from both traditional and non-traditional donors.

### Number of actions undertaken by all EIF partners in support of leveraging finance and expertise

A key strategy of the EIF is to support the LDCs in leveraging resources for their trade agenda. Recognizing that the EIF should be catalytic, LDC governments are using the EIF mechanism to mobilize technical and financial resources from the private sector and other DPs. In addition, governments are now going beyond the traditional sources of funding to tap into South-South and triangular cooperation. In 2016 alone, **75** actions

were conducted by 30 countries in order to access additional resources in support of the national trade agenda. The most popular actions included meeting with donors to share the DTIS Action Matrix, developing Medium-term Programmes (MTP) to implement the DTIS Action Matrices, holding round tables to facilitate pledges for the MTP and undertaking joint development proposals with DPs.

**Figure 24: Number of actions undertaken by all EIF partners in support of leveraging finance and expertise**

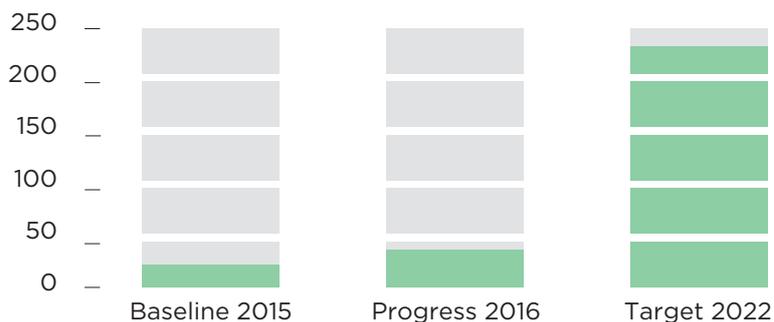


### Number of projects funded by donors related to the DTIS Action Matrix

Implementing priority projects from the DTIS Action Matrix is fundamental to achieving national trade agendas. The EIF is helping the LDCs to formulate competitive bankable projects to access donor funds. Some LDCs are using the EIF process to establish a basket funds

for the implementation of their DTIS. These funds are normally coordinated by the ministry responsible for trade in collaboration with other line ministries, such as the ministries of finance, agriculture and tourism. In 2016 alone, **35** such projects were funded.

**Figure 25: Number of projects funded by donors related to the DTIS Action Matrix**

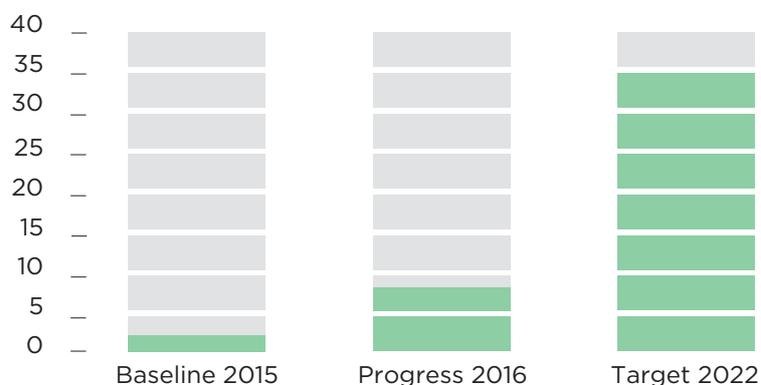


### Number of EIF projects significantly co-financed

In order to reduce dependency on EIF funds, improve country ownership and strengthen the EIF partnership, various types of co-financing arrangements are being used by

LDC governments to implement their DTIS Action Matrices. By 2016, **eight** such financing arrangements were implemented.

**Figure 26: Number of EIF projects significantly co-financed**





A photograph of a warehouse interior. In the foreground, there are several stacks of white sacks, likely containing agricultural products, arranged on wooden pallets. The sacks are stacked high, and some are covered with orange tarps. The background shows the metal structure of the warehouse, including beams and a large door. The lighting is bright, suggesting an indoor or well-lit outdoor environment.

# Strengthening private sector engagement for inclusive growth and job creation

In view of the transformational power of private sector-led productivity increases, finding the ways and means to leverage private sector know-how, productive capacity and financial resources for trade development is high on the EIF agenda. In order to develop a thriving private sector, the EIF is supporting partner countries to create favourable business climates, invest in infrastructure and facilitate MSME development through technical assistance. While LDC governments are ultimately responsible for creating an environment conducive to private sector growth, the EIF is helping these governments and DPs to steer the private sector towards activities that contribute to more inclusive and environmentally sustainable growth.

The EIF is focusing its private sector development efforts on the high win-win potential of promoting poor producers and MSMEs. These efforts include advocacy to encourage the private sector to invest in productive sectors that stimulate sustainable pro-poor enterprise development; facilitate the integration of poor producers and MSMEs in key value chains; and improve the policy and institutional infrastructure for inclusive market development. Through these interventions, the EIF expects that LDC economies will become sufficiently robust and create jobs that will lead to poverty alleviation.

## *Women and MSMEs: Agents of change for private sector development*

In most LDCs, MSMEs constitute the bulk of the private sector and are thus an important source of private sector employment creation, especially for women. However, MSMEs face serious challenges in expanding their businesses, including inefficient business regulation, inadequate technology, weak technical and entrepreneurial skills and limited access to finance. In addition, most operate in informal markets, characterized by low productivity and products that do not necessarily meet the quality threshold for international markets.

The EIF is in the unique position to engage LDC governments, donors and other DPs to create the conditions that allow MSMEs, and especially women-led MSMEs, to thrive. With appropriate incentives and support, women-led MSMEs can create opportunities for increased incomes in sectors with a high level of women participation, including agribusiness, tourism, and textiles and apparel. Women-led MSMEs can also play a vital role in achieving the SDGs related to gender equality.

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### **Samoa - Women in Business Development**

As one of the project implementers alongside the Ministries of Finance and of Commerce, Industry and Labour, the Women in Business Development Incorporated (WIBDI) takes a family approach to working within the Samoan culture so as not to create power imbalances within family structures, promoting instead family cohesion and intergenerational transfer of new and traditional knowledge. Working in 183 Samoan villages within family households of over 11,568 people, of which 43% are female adults and 57% are male adults (WIBDI 2015 statistics), the WIBDI encourages women within the projects to take on leadership roles as village leaders, trainers and recruiters. Mothers are also encouraged to pass down traditional knowledge to their daughters in the making of traditional handicrafts.

WIBDI has also organized two shipments of cocoa to Australia, and other shipments are planned. Australia has thus specifically developed a chocolate bar made from 100% Samoan cocoa beans and has been very supportive of the local community getting involved in the value chain. For coconut, the WIBDI has secured markets for the organic virgin coconut oil that is exported to the Body Shop in Australia, New Zealand, the United Kingdom and the USA.

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## ***South-South cooperation and triangular cooperation can play a pivotal role in private sector development***

Given the central role of the EIF as a platform for increasing the developmental impacts of trade in the LDCs, there is scope for increased South-South cooperation and triangular collaboration. This could be implemented in many different ways, including through contributions to the EIF Trust Fund (EIFTF) for programme implementation, blended funding at the country level or bilateral funding using the EIF mechanism on the ground. Other options include a closer interaction with the programme and collaboration on various bilateral programmes at the country level, as well as through raising awareness of opportunities for businesses and LDCs to export.

### **Rwanda partners on cross-border trade**

Recognizing the importance of cross-border trade for the country's economy and a particularly important avenue for poverty alleviation with a strong gender impact, Rwanda developed a National Cross-Border Trade Strategy (NCBTS 2012-2017). An EIF-funded project supports the implementation of the NCBTS in a cohesive approach with other partners on the ground, including TradeMark East Africa (TMEA) and the World Bank. In supporting the NCBTS, the EIF has helped to fund feasibility studies for cross-border trade market infrastructure for six districts bordering three other EIF Countries (Burundi, DRC and Uganda). To implement this project, the Government of Rwanda has contributed US\$1,600,154 (US\$978,877 from the Central Government and US\$621,227 from District Administrations). In addition to the EIF project, approximately US\$50 million is being invested in related cross-border trade projects by other donors, including the World Bank, TMEA, the EU, the African Development Bank, New Partnership for Africa's Development and UN Women.



## The central role of the EIF partnership as an enabler for private sector development

The effective functioning of the EIF as a partnership is at the core of the EIF's ability to deliver development results and to help to realize the partnership goals of the SDGs. The partnership approach is underpinned by the belief that the programme needs to be an international joint effort that taps into other resources beyond the EIF if it is to realize its full potential in better integrating the LDCs into the global trading system. One of the unique and defining features of the EIF is that it recognizes that the partners – the LDCs, the EIF Donors and the EIF International Agencies – have specific roles and responsibilities in achieving the objectives of the programme, including engaging the private sector on enterprise development.

Going forward, based on the experiences and lessons from the first phase of the EIF and the need for increased MSME capacity development, the second phase of the EIF is reinvigorating the partnership in order to strengthen private sector engagement. The EIF is increasing its collaboration with regional development banks, including the Asian Development Bank and the African Development Bank; regional economic communities, including the Economic Community of West African States and the Common Market for Eastern and Southern Africa; and TMEA. Collaboration will also be increased with South-South and triangular partnerships, as well as with philanthropist organizations and businesses that have shown interest and commitment to invest in the LDCs.

In 2016, EIF capacity-building workshops were planned and implemented for the LDCs in the Asia and Pacific regions in partnership with the following agencies and governments:

Host/Location	Partnership
<p><b>The Government of Vanuatu</b> Port Vila, Vanuatu</p> 	
<p><b>UNESCAP</b> Bangkok, Thailand</p> 	

For these two EIF regional workshops, 42 representatives from 15 countries participated.

97% of the participants reported that the content of the workshop corresponded well with their expectations and the workshop objectives. Topics covered included the new EIF programme framework, the new EIF logframe and risk management, results reporting, the new EIF Management Information System, and mainstreaming gender equality, poverty reduction and environmental protection into project planning

and management. Participants also learnt about trade-related issues, such as regional integration and value chains, trade in services and how to link trade to the SDGs.

Participants acknowledged the need to improve resource mobilization for sustainability of the programme. For this, they agreed on the need to sensitize their governments for a greater commitment to the programme, engage stakeholders at the highest level and sensitize EIF Donor Facilitators on their role in supporting resource mobilization.

## *Aid, investment and trade: A new form of resource-leveraging for private sector development*

Over recent years, there has been an increasing realization that aid, trade and investment are intrinsically linked in a virtuous circle. Aid that drives economic reforms and stimulates domestic investment works to increase the LDCs' capacity to trade and to grow their market access. The increased trade leads to greater opportunities for investment and further trade, thus continuing the circle.

A key strategy of the EIF is to support the LDCs in leveraging resources for their trade agenda.

**Realizing that the EIF should be catalytic**, the LDCs in turn are responding to this challenge by using the EIF mechanism to mobilize financing and expertise for their trade development agenda by combining EIF funds with other public and private sector resources, otherwise known as **blending**. Various forms of blending are being applied, including government and the EIF, EIF and bilateral donors, EIF and agencies, and EIF and the private sector.

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### EIF private sector blended funding in Samoa

The Trade Sector Support Programme **in Samoa** has a total budget of nearly US\$4 million. The Government of Samoa contributed 11% of the budget, while the private sector through the Chamber of Commerce provided 12% of the resources, with the balance provided by the EIFTF. The project is focused on scaling up the collaboration between the largest state-owned agricultural producer in Samoa, trade associations and women's cooperatives in order to add value to cocoa and coconut destined for export. The project is also strengthening trade sector policies so as to enhance private sector participation in manufacturing and export.

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## ***Participation in global value chains to strengthen the role of the private sector***

The changing nature of international business, in particular the expansion of global and regional value chains, provides new opportunities for the LDCs. Corporations are now able to break up their value chains and locate individual activities according to competitive advantage rather than geographical convenience. Moreover, firms are seeking new avenues to reduce their production costs. The private sector in the LDCs can take advantage of this growing dynamic by specializing in tasks and specific business services to connect to these value chains. Integrating into regional and global value chains will provide the private sector in the LDCs with access to networks, new markets, capital, knowledge and technology, which in turn can offer a path to a more diversified and robust economic growth and MSME development, with the goal of achieving the SDGs.

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### **Modernizing the hides and skins sector in Niger**

The DTIS in Niger identified the hides and skins sector as a priority export sector for the Nigerien economy. The project is improving the competitiveness of the hides and skins sector by strengthening the capacity of actors involved in the value chain across Niger's eight regions.

One of the goals of the project is to modernize production from traditional to semi-industrial methods. As part of these efforts, 235 kits of skinning materials were distributed to six abattoirs (Tillabéry, Niamey, Dosso, Maradi, Zinder, Agadez et Diffa). Three skin and hide collection and conservation centres were constructed and equipped in 2016 in Niamey, Zinder and Tahoua. These conservation centres will help to strengthen conservation and processing capacities. Four tanneries were also equipped with tanning products and material, and the traditional tannery in Gamkalé was rehabilitated.

Another goal of the project is to empower women working in the leatherwork sector. To help achieve this goal, 80 women artisans across the eight regions were trained in leatherwork, and 4 women's organizations were equipped with leatherworking materials. Eight women trainers from different regions participated in a training on leatherwork and sewing.

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## ***Technology, the engine for growth in private sector productivity***

Technological change drives long-term economic growth, productivity and improved standards of living. New technologies can also allow companies to reduce their environmental footprints. However, the potential of technology remains largely untapped in the LDCs. This is particularly true in the agricultural sector, where the LDCs are missing the benefits of enhanced production offered by new technologies.

The EIF will continue to promote policies that encourage innovation, while supporting the LDCs to adopt new technologies that help them to achieve the SDGs. Emphasis will also continue to be placed on technologies that allow the LDCs to meet environmental, food safety and quality, and animal welfare regulations.

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### **Improving palm oil production in the DRC**

The goal of the project is to support the rehabilitation of the palm oil value chain in the Mayombe region of DRC by introducing new improved palm varieties and techniques to produce more palm oil of higher quality. This will create jobs and promote pro-poor growth by increasing the revenues of actors across the palm oil value chain. The project has also an important environmental component through sustainable forest and land management, and carbon sequestration by planting more palm trees.

250,000 pre-germinated tenera variety palm seeds have been acquired, which is an excellent type for palm oil production. 120,800 of the pre-germinated tenera palm seeds were planted as of the end of 2016, and the rest will be planted in 2017. Modern equipment for improved production techniques have been acquired, facilitating the establishment of 35 palm tree nurseries in the project area. Workshops to teach local farmers how to use the equipment and establish the new nurseries were also conducted. A total of 1,301 beneficiaries (15% women) participated in these workshops. Twelve sessions were also held on how to structure palm oil industry organizations.

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# Accountability, financial and fiduciary management

## General Monitoring and Evaluation (M&E)

The EIF is centred on delivering results, which makes it critical that it has a well-functioning M&E system that captures the results being achieved during all stages of a project. The EIF M&E is anchored on the Strategic Plan and the results framework with clear measurable indicators. This M&E framework is important to hold all partners accountable, and it promotes learning and improvement through a systematic and objective assessment of ongoing or completed projects.

The EIF Countries are responsible for conducting in-country M&E activities. The central issue is to determine whether projects are delivered effectively and efficiently, including ensuring appropriate use of funds, while examining whether the projects are contributing to the change that they are designed to make. These assessments are done through demand-driven supervision missions conducted by the ES or the TFM, as well as mid-term and final project evaluations, including a self-assessment project completion report.

## Monitoring progress in achieving the SDGs

The 2030 Agenda for Sustainable Development calls for national and global review processes to “promote accountability to our citizens, support effective international co-operation in achieving this Agenda, and foster exchanges of best practices and mutual learning.” The EIF aims to be efficient and effective across all of its work in order to deliver results that are aligned with the SDGs. As part of this, the EIF is closely monitoring the economic, social, financial and political situations in the LDCs to underpin its support linked with the SDGs.

The monitoring requirements of the SDGs place a heavy burden on the LDCs, which have less capacity to monitor and report. However, through their participation in the EIF, countries have gained experience and learned how to better use robust monitoring tools. Given the

new process of aligning the EIF indicators to the SDGs, tailored M&E capacity development will continue to be offered.

The EIF’s contribution to the SDGs will be reported annually in the EIF Annual Report, documenting results in the LDCs in fulfilling the EIF indicators as aligned with the SDGs. The report will be submitted to the EIF stakeholders and will be used to advocate for support to address the common challenges faced by the LDCs in implementing the SDGs. This process will complement wider processes of national monitoring, which each country will need to undertake based on their selection of country-specific SDG indicators.

## Risk management of EIF Phase Two

Risk management, including but not limited to fiduciary risk, is embedded in the EIF’s processes to help to achieve progress in trade development in the world’s poorest countries. Risk management helps the EIF to deliver on its goal of greater integration of the LDCs into the global trading system. The EIF is also mindful of its obligation to effectively and efficiently manage donor resources and to be accountable to the entire partnership.

For Phase Two of the EIF, the EIF Board approved and instituted a comprehensive approach to risk management. The goal of this approach is to create a shared understanding of risk and to promote a consistent culture of risk management within the EIF. This will in turn contribute to more informed decision-making, conscious risk-taking and risk management, thereby increasing the likelihood of achieving the programme’s objectives. Work is also ongoing with partners to enhance risk management practices at the country level and to update the EIF Board more systematically on risk.

The EIF’s activities have grown substantially during Phase One of the programme, but a decrease of funds in EIF Phase Two makes risk management even more critical. Thus the

EIF's Phase Two strategic priorities include increased resource-leveraging efforts and improved programme sustainability to ensure that no LDC is left behind. This will require a more intensive engagement with the countries, including a focus on intensifying government commitments, greater country capacity-building (including financial capacity), and a deeper focus on fragile countries and those in conflict. A comprehensive and systematic approach to risk management will enable the EIF to take the right level and type of risks needed to deliver on its objectives and maximize its impact.

## Financial and fiduciary management

The tables below present the EIF financial situation as of 31 December 2016, including contributions received, allocated funds, disbursements, and funds available for allocation. The year 2016 marked the launch of EIF Phase Two, though EIF Phase One will officially end on 31 December

2017.<sup>2</sup> Therefore, the numbers for both EIF Phase One and EIF Phase Two are reported.

### (a) Donor commitments and contributions received

The EIF Pledging Conference for EIF Phase Two, held in December 2015 in Nairobi, led to approximately US\$90 million in pledges, meaning that the funding target of US\$270 million was not met. In 2016, approximately US\$55.3 million was committed from EIF Donors through signed Contribution Agreements, which represents 61% of the total funds pledged in 2015 as detailed in Table 2. Total funds deposited in the Trust Fund in 2016 represent 19.3% of the total pledge amount from the 2015 EIF Pledging Conference.

Approximately US\$537,000 in interest was earned by the EITF (both EIF Phase One and Phase Two funds) in 2016.

The EIF Donor contribution details are presented below, including pledges, commitments and funds received.

**Table 4 – Donor contribution details for EIF Phase Two (as of 31 December 2016, in US\$)**

Donor	Pledged for EIF Phase Two	Commitment for EIF Phase Two	Received by the Trust Fund in 2016
Australia	2,188,454	2,188,454	729,433
Denmark	8,574,859	4,287,429	-
Estonia	32,407	32,407	32,407
European Commission	10,582,011	-	-
Finland	10,884,212	9,836,066	6,557,377
France	3,184,713	2,123,142	1,061,571
Germany	2,846,204	2,846,204	1,425,439
Korea	1,000,000	1,000,000	500,000
Luxembourg	4,842,495	4,842,495	1,106,195
Netherlands	434,311	-	-
Norway	17,918,778	17,918,778	2,747,546
Saudi Arabia	4,000,000	-	-
Sweden	11,094,676	-	-
Switzerland	2,000,000	2,000,000	1,000,000
United Kingdom	10,000,000	8,237,470	2,129,751
Interest EIF Income	52,788	52,788	52,788
<b>Total</b>	<b>89,635,905</b>	<b>55,365,233</b>	<b>17,342,507</b>

<sup>2</sup> EIF Phase One ran from 2008-2015, with a two-year operational period from 2015 to 2017. As such, the EIF Board could only approve new projects under EIF Phase One until 31 December 2015.

## (b) Allocations for EIF Activities

In 2016, allocations for EIF Phase Two activities totalled US\$2.07 million, bringing the total to US\$203.2 million for the period 2008-2016 for both EIF Phase One and EIF Phase Two. Annexes 2 and 3 include the EIF portfolio

of approved projects. The 2016 allocations were solely composed of EIF Tier 1 activities. Approximately 69% (US\$103.9 million) of total project allocations to date have been implemented by the LDCs. Agency implementation totalled US\$34.01 million for EIF Phase One and EIF Phase Two.

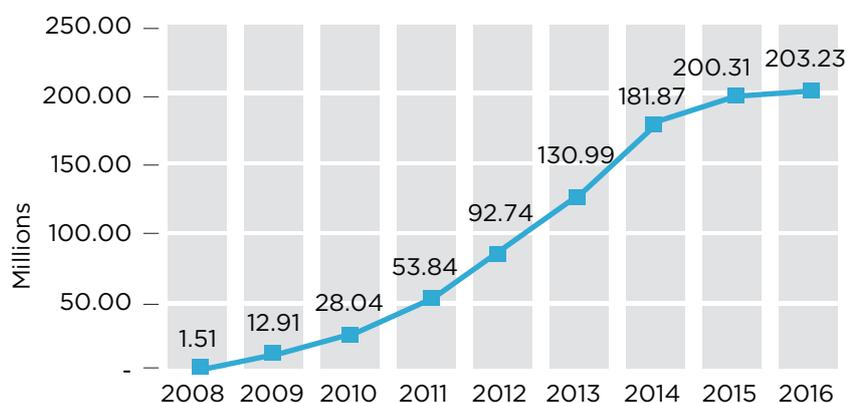
**Table 5: Allocations for EIF activities (US\$)**

Activity Category	Sub-type	EIF Phase One	EIF Phase Two	Grand Total
LDC implementation	Tier 1 - Pre-DTIS	550,716		550,716
	Tier 1 - DTISU	1,372,484		1,372,484
	Tier 1 - Support to NIAs	43,583,818	1,800,300	45,384,118
	Tier 1 - Trade mainstreaming	198,500		198,500
	Tier 1 - Sustainability support		270,000	270,000
	Tier 2 - Agribusiness	28,859,494		28,859,494
	Tier 2 - Feasibility study	606,274		606,274
	Tier 2 - Standards	5,519,439		5,519,439
	Tier 2 - Tourism	7,684,700		7,684,700
	Tier 2 - Trade facilitation	13,480,250		13,480,250
<b>LDC implementation - Total</b>		<b>101,855,675</b>	<b>2,070,300</b>	<b>103,925,975</b>
Other implementation	Tier 1 - DTISU	160,000		160,000
	Tier 2 - Agribusiness	12,188,740		12,188,740
	Tier 2 - Tourism	950,000		950,000
<b>Other implementation - Total</b>		<b>13,298,740</b>		<b>13,298,740</b>
Agency implementation	Tier 1 - DTIS	3,154,641		3,154,641
	Tier 1 - DTISU	6,518,131		6,518,131
	Tier 1 - Support to NIAs	3,000,000		3,000,000
	Tier 1 - Support to NIAs - ITA	2,261,903		2,261,903
	Tier 1 - Trade mainstreaming	146,293		146,293
	Tier 1 - WB Trust Fund (unallocated)	14,374		14,374
	Tier 2 - Agribusiness	12,177,419		12,177,419
	Tier 2 - Feasibility study	584,839		584,839
	Tier 2 - Standards	3,321,922		3,321,922
	Tier 2 - Trade facilitation	2,836,583		2,836,583
<b>Agency implementation - Total</b>		<b>34,016,105</b>		<b>34,016,105</b>
Global Activities	Global activities	5,368,831		5,368,831
<b>Global Activities - Total</b>		<b>5,368,831</b>	<b>-</b>	<b>5,368,831</b>
ES		26,400,001		
<b>ES - Total</b>		<b>26,400,001</b>		
TFM		18,709,860		
<b>TFM - Total</b>		<b>18,709,860</b>		
<b>Total</b>		<b>199,649,212</b>	<b>2,070,300</b>	<b>201,719,512</b>
TFM Transaction fee		1,497,369	15,527	1,512,896
<b>Grand total</b>		<b>201,146,581</b>	<b>2,085,827</b>	<b>203,232,408</b>

**Notes on allocations – Table 5:**

- No ES, Global Activities or TFM budgets are reflected in the 2016 report. This is due to the fact that the 2016 ES and TFM budgets were exceptionally included in the 2015 Annual Report as they were approved and allocated in 2015, before the end of EIF Phase One. The 2017 ES, TFM and Global Activities budgets, approved by the EIF Board, will be reflected in the 2017 Annual Report.
- There is a slight change in the prior reported figures as actual 2015 expenditures have now been submitted and activities completed.
- The World Bank Trust Fund (unallocated) entry refers to the funds in the EIF World Bank subsidiary trust fund, which were not fully allocated during 2016.
- For projects approved in late 2015 and in 2016, in accordance with the EIF approach, as approved by the EIF Board, on the management of the EIFTF balance, only the first year of funding is allocated at the time of signing of the legal agreement (Memorandum of Understanding), and the remainder is allocated annually.

**Figure 27: Cumulative allocations for EIF activities (in US\$), as of 31 December 2016 (with TFM fee)**



**(c) Disbursements**

Based on the allocations detailed above, the TFM undertook disbursements as agreed in the respective legal agreements and payment calendars, as confirmed by the ES following a review of project work plans and logframes, for a total of US\$29.4 million in 2016 (US\$28.42 million for EIF Phase One and 0.98 million for EIF Phase Two, detailed below). This shows

that in 2016, disbursements were based on a continuation of EIF Phase One activities<sup>3</sup>. EIF Phase Two activities were slow to start, since funds were not available until the third quarter of 2016. As such, most of 2016 focused on putting into place the modalities for the operationalization of EIF Phase Two. However, six projects were still approved in 2016.

<sup>3</sup> EIF Phase One was from 2008 to 2015, with a two-year operational period from 2015 to 2017. As such, projects approved up to 2015 in EIF Phase One are running currently in this operational period with EIF Phase Two, which started in 2016.

**Table 6: Disbursements for EIF Phase One and EIF Phase Two (in US\$ millions)**

Phase	Annual Report Category	2008-2015	2016	Grand Total
EIF Phase One	LDC implementation	63.09	19.32	82.41
	Agency implementation	30.17	2.20	32.37
	Other implementing entity	7.70	0.24	7.94
	Global activities	4.99	0.38	5.37
	ES	22.28	4.07	26.35
	TFM	16.71	2.00	18.71
	Trust Fund Management transaction fee (0.75%)	1.09	0.21	1.30
<b>EIF Phase One - Total</b>		<b>146.03</b>	<b>28.42</b>	<b>174.45</b>
EIF Phase Two	LDC implementation		0.97	0.97
	Trust Fund Management transaction fee (0.75%)		0.01	0.01
<b>EIF Phase Two - Total</b>			<b>0.98</b>	<b>0.98</b>
<b>Grand total (EIF Phases One and Two)</b>		<b>146.03</b>	<b>29.40</b>	<b>175.43</b>

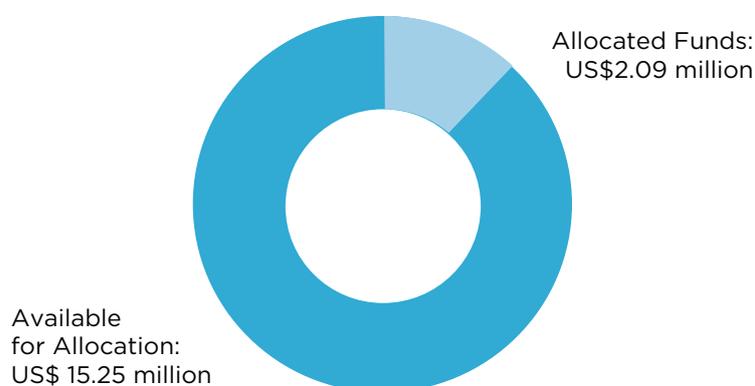
**(d) Available funds**

As of 31 December 2015, funds from EIF Phase One were fully allocated. As noted above, for EIF Phase One, the EIF Board was only authorized to approve new projects until 31 December 2015, with a two-year operational period until 31 December 2017.

For EIF Phase Two, the EIFTF had US\$15.25 million available for allocation to EIF project

activities as of 31 December 2016. This is the difference between funds received from the EIF Donors on the basis of signed Contribution Arrangements, including accrued interest – approximately US\$17.34 million (details found in Table 4 above) – minus the funds already allocated to EIF activities through signed legal agreements – approximately US\$2.09 million (details found in Table 5 above).

**Figure 28: Funds available for allocation**



## Auditing practices

All the Main Implementing Entities (MIEs) for EIF projects, whether government entities or others<sup>4</sup>, are required to submit annual audited accounts as stated in the respective agreements signed with the TFM. Internal audit systems have been activated in all the LDCs implementing Tier 1 or Tier 2 projects, and internal or external audit reports are undertaken after one full year of project implementation in accordance with the respective legal agreements and project budgets. In 2012, the TFM prepared audit guidelines to assist the NIUs in this task. It is also common practice for the NIUs to have

the audit Terms of Reference reviewed by the TFM before launching the exercise. The TFM, in collaboration with the ES, is implementing the escalation criteria for reporting delays (as approved by the EIF Board in May 2015).

As seen in the table below, 54 audits reports were received in 2016, and 10 are still in progress (often due to lengthy government processes and/or situations of crises). No major concerns have been noted in the audit reports of 2015 or 2016. The TFM is following up closely with the countries on the in-progress audit reports, where necessary, including through supervision missions.

**Table 7: Status of audit reports**

Report	Status	Number of Reports		
		2008-15	2016*	Total
Audit	Received	150	54	204
	In progress		10	10
<b>Total</b>		<b>150</b>	<b>64</b>	<b>214</b>

\* 2016 audits are for the 2015 reporting period and in some cases, a few months of 2014 implementation.

In addition, all the TFM financial and funding management activities are subject to periodic audit exercises following the EIF Accountability Framework and the UNOPS Audit Rules. In May 2016, the UNOPS Geneva Office was the subject

of an internal audit carried out by the Internal Audit and Investigation Group of UNOPS. The TFM, as part of the UNOPS Geneva Office, was therefore also subject to this internal audit, which received an overall rating of satisfactory.

4 The EIF Agencies are audited internally, as per the EIF partnership agreements and the UN single audit principle.





# Annexes

## Annex 1: Shared goals: Links between the SDGs and the EIF results framework

SDG 1 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>1.b</b> Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication.</p>	<p><b>O1.1</b> Support EIF Country with trade integration into the NDP.  <b>O1.Op1.1</b> Quality trade policy updated with support from the EIF.</p>
<p><b>1.2</b> By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.</p>	<p><b>O1.</b> EIF supported country owns a trade agenda conducive to sustainable pro-poor growth.  <b>O1.Op1</b> Improved evidence based policy inputs supporting pro-poor trade.</p>
<p><b>1.a</b> Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions.</p>	<p><b>O2.Op3.1</b> Number of actions undertaken by all EIF partners in support of leveraging finance and expertise.  <b>O2.Op3.3</b> Number of EIF projects significantly co-financed.</p>
SDG 2 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>2.a.2</b> Total official flows (official development assistance plus other official flows) to the agriculture sector.</p>	<p><b>Ip3</b> AfT flows to EIF supported country.  <b>Ip4</b> FDI in EIF supported country.</p>
<p><b>2.3.1</b> Volume of production per labour unit by classes of farming/pastoral/forestry enterprise size.</p>	<p><b>O2.1</b> Volume of production generated through EIF interventions.  <b>O2.Op2.1</b> Number of producers/associations trained in value chain practices.  <b>O2.Op2.2</b> Number of new technologies adopted through EIF supported projects.</p>
<p><b>2.3.2</b> Average income of small-scale food producers, by sex and indigenous status.</p>	<p><b>O2.Op2.3</b> Number of MSMEs supported by EIF projects.  <b>O2.2</b> Number of new international markets accessed with support from the EIF.  <b>Ip2</b> Value of trade from EIF supported country (intra-regional and global).</p>
<p><b>2.4.1</b> Proportion of agricultural area under productive and sustainable agriculture.</p>	<p><b>O2.1</b> Volume of production generated through EIF interventions.</p>
<p><b>2.a</b> Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks, in order to enhance agricultural productive capacity in developing countries, in particular least developed countries.</p>	<p><b>Ip4</b> FDI in EIF supported country.  <b>O2.Op2.2</b> Number of new technologies adopted through EIF supported projects.</p>

SDG 5 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>5.a</b> Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.</p>	<p><b>O 1.Op 3.1</b> Number of public officials (disaggregated by gender and age) trained in trade related areas.</p> <p><b>O1.Op 3.2</b> Number of private sector representatives trained (disaggregated by gender and age) in trade related areas to participate in the national trade agenda.</p> <p><b>O2.Op 1.1</b> Total number of people (disaggregated by gender and age) receiving quality training to better participate in the economy.</p>
<p><b>5.c</b> Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.</p>	<p><b>O1.Op1.2</b> Number of actions in support of improved legislation and participation in fora.</p> <p><b>O2.Op 1.2</b> Number of awareness raising activities conducted on gender and environment in relation to trade.</p> <p><b>O2.Op 1.3</b> Percentage of direct project beneficiaries that are women.</p>
SDG 8 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>8.a</b> Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade related Technical Assistance to Least Developed Countries.</p>	<p><b>Ip.3</b> AfT flows to EIF supported country.</p> <p><b>O2.Op 3.2</b> Number of projects funded by donors related to the DTIS Action Matrix.</p> <p><b>O2.Op 3.3</b> Number of EIF projects significantly co-financed.</p>
<p><b>8.2</b> Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors.</p>	<p><b>O2.1</b> Volume of production generated through EIF interventions.</p> <p><b>O2.Op 2.1</b> Number of producers/associations trained in value chain practices.</p> <p><b>O2. Op 2.2</b> Number of new technologies adopted through EIF supported projects.</p>
<p><b>8.3.1</b> Proportion of informal employment in non agriculture employment, by sex.</p>	<p><b>O2.Op 2.1</b> Number of producers/associations trained in value chain practices.</p> <p><b>O2.Op 2.3</b> Number of MSMEs supported by EIF projects.</p>
<p><b>8.9.2</b> Proportion of jobs in sustainable tourism industries out of total tourism jobs.</p>	<p><b>O1.3</b> EIF supported country with sector specific strategies integrating trade.</p> <p><b>O1.Op1.3</b> Diagnostic studies developed/ updated with support from the EIF.</p>
<p><b>8.1</b> Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7% gross domestic product growth per annum in the least developed countries.</p>	<p><b>Ip.1 EIF</b> supported country's share of non oil global exports.</p> <p><b>Ip.2</b> Value of trade from EIF supported country (intra-regional and global).</p>

SDG 9 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>9.a.1</b> Total official international support (official development assistance plus other official flows) to infrastructure.</p>	<p><b>Ip.3</b> AfT flows to EIF supported country.  <b>Ip.4</b> FDI in EIF supported country.  <b>O2.Op3.2</b> Number of projects funded by donors related to the DTIS Action Matrix.  <b>O2.Op3.3</b> Number of EIF projects significantly co-financed.</p>
<p><b>9.3</b> Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.</p> <p><b>9.3.1</b> Proportion of small-scale industries in total industry value added.</p>	<p><b>O2.Op2.1</b> Number of producers/associations trained in value chain practices.  <b>O2.Op2.3</b> Number of MSMEs supported by EIF projects.  <b>O2.Op2.1</b> Number of producers/associations trained in value chain practices.</p>
SDG 12 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>12.b.1</b> Number of sustainable tourism strategies or policies and implemented action plans with agreed monitoring and evaluation tools.</p>	<p><b>O1.Op1.3</b> Number of sector specific strategies per country integrating trade. Tourism is one of the sectors in the LDCs, and the EIF is funding five projects and supporting the development of tourism related policies.</p>
<p><b>12.a.1</b> Amount of support to developing countries on research and development for sustainable consumption and production and environmentally sound technologies.</p>	<p><b>O2.Op1.2</b> Number of awareness raising activities conducted on gender and environment in relation to trade.  <b>O2.Op2.2</b> Number of new technologies adopted through EIF supported projects.  <b>O1.Op3.3</b> EIF supported country has quality information dissemination tools for different stakeholders.</p>
SDG 17 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>17.3.1</b> Foreign direct investments (FDI), official development assistance and South-South Cooperation as a proportion of total domestic budget.</p>	<p><b>Ip. 2</b> Value of trade from EIF supported country (intra-regional and global).  <b>Ip. 3</b> AfT flows to EIF supported country.  <b>Ip. 4</b> FDI in the LDCs.</p>
<p><b>17.7.1</b> Total amount of approved funding for developing countries to promote the development, transfer, dissemination and diffusion of environmentally sound technologies.</p>	<p><b>O2.Op1.2</b> Number of awareness raising activities conducted on gender and environment in relation to trade.  <b>O2.Op2.2</b> Number of new technologies adopted through EIF supported projects.  <b>O1.Op3.3</b> EIF supported country has quality information dissemination tools for different stakeholders.  <b>O2.Op3.2</b> Number of projects funded by EIF Donors related to the DTIS Action Matrix.  <b>O2.Op3.3</b> Number of EIF projects significantly co-financed.</p>

SDG 17 targets/indicators linked to the work of the EIF	Related indicators from the EIF results framework
<p><b>17.11</b> Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries (LDCs)' share of global exports by 2020.</p>	<p><b>Ip.1</b> EIF supported country's share of non oil global exports.</p> <p><b>O2.1</b> Volume of production generated through EIF interventions.</p> <p><b>O2.2</b> Number of new international markets accessed with support from the EIF.</p> <p><b>O2.Op3.2</b> Number of projects funded by EIF Donors related to the DTIS Action Matrix.</p>
<p><b>17.14.1</b> Number of countries with mechanisms in place to enhance policy coherence of sustainable development.</p>	<p><b>O1.Op1.1</b> Quality trade policy updated with support from the EIF.</p> <p><b>O1.Op1.2</b> Number of actions in support of improved legislation and participation in fora (includes WTO accession, regional integration, etc.).</p> <p><b>O1.Op1.3</b> Diagnostic studies developed/ updated with support from the EIF.</p>
<p><b>17.16.1</b> Number of countries reporting progress in multi-stakeholder development effectiveness monitoring frameworks that support the achievement of the sustainable development goals.</p>	<p>While there are no specific indicators, the EIF Countries report their progress, and this is reported to the entire EIF partnership through the EIF Board.</p> <p>The EIF also reports to the EIF Donors according to their individual requirements and to the wider international community by participating in the International Aid Transparency Initiative.</p>
<p><b>17.17</b> Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.</p>	<p><b>O1.Op2.2</b> A quality functioning public private coordination mechanism is established in the EIF supported country.</p> <p><b>O1.Op2.3</b> A quality government-donor dialogue on trade related matters is established in the EIF supported country.</p>
<p><b>17.9</b> Enhance international support for implementing effective and targeted capacity building in developing countries to support national plans to implement all the Sustainable Development Goals, including through North-South, South-South and triangular cooperation.</p>	<p><b>O1.Op2.1</b> The NIU is integrated into the government ministry/system.</p> <p><b>O1.Op3.1</b> Number of public officials (disaggregated by gender and age) trained in trade related areas.</p> <p><b>O1.Op3.2</b> Number of private sector representatives trained (disaggregated by gender and age) in trade related areas to participate in the national trade agenda.</p> <p><b>O2.Op2.1</b> Number of producers/associations trained in value chain practices.</p>

## Annex 2 – Tier 1 projects

Below is the table for EIF Tier 1 projects – which include pre-DTIS, DTIS, DTISU, Support to NIAs, Support to NIAs – Phase 2, Trade Mainstreaming and Sustainability Support Phase.

Country	Title	MIE	Approval Date	EIF Phase One Approved Budget (US\$)	EIF Phase Two Approved Budget (US\$)	Total Approved Budget (US\$)
<b>Afghanistan</b>	Pre-DTIS (completed)	Government	22-Sep-10	50,000		50,000
	DTIS (completed)	World Bank	08-Oct-08	400,000		400,000
	Support to NIAs (Tier 1 Phase 1)	Government	22-Dec-16		300,000	300,000
Afghanistan - Total				450,000	300,000	750,000
<b>Bangladesh</b>	Pre-DTIS (completed)	Government	22-Sep-10	50,000		50,000
	DTIS (completed)	World Bank	25-Mar-11	460,000		460,000
	Support to NIAs (Tier 1 Phase 1)	Government	28-Aug-15	300,000		300,000
Bangladesh - Total				810,000		810,000
<b>Benin</b>	DTISU (completed)	World Bank	11-Aug-11	200,000		200,000
	Support to NIAs (Tier 1 Phase 1 & 2)	Government	11-Aug-11	1,199,991		1,199,991
Benin - Total				1,399,991		1,399,991
<b>Bhutan</b>	Pre-DTIS (completed)	Government	15-Jan-10	50,000		50,000
	DTIS (completed)	UNDP	24-Mar-11	400,000		400,000
	Support to NIAs (Tier 1 Phase 1)	Government	14-Jun-13	900,000		900,000
Bhutan - Total				1,350,000		1,350,000
<b>Burkina Faso</b>	DTISU (completed)	World Bank	06-Feb-13	191,119		191,119
	Mainstreaming	UNCTAD	15-Dec-15	73,293		73,293
	Support to NIAs (Tier 1 Phases 1 and 2) (completed)	Government	22-Nov-10	1,500,000		1,500,000
	Sustainability Support	Government	22-Dec-16		150,000	150,000
Burkina Faso - Total				1,764,412	150,000	1,914,412

Country	Title	MIE	Approval Date	EIF Phase One Approved Budget (US\$)	EIF Phase Two Approved Budget (US\$)	Total Approved Budget (US\$)
<b>Burundi</b>	DTISU (completed)	World Bank	12-Feb-10	198,058		198,058
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	12-Feb-10	1,500,000		1,500,000
Burundi - Total				1,698,058		1,698,058
<b>Cabo Verde</b>	DTISU (completed)	Government	19-Sep-12	200,000		200,000
	Support to NIAs (Tier 1 Phase 1)	Government	23-Nov-11	900,000		900,000
	Support to NIAs (Tier 1 Phase 2)	Government	04-May-16		300,000	300,000
Cabo Verde - Total				1,100,000	300,000	1,400,000
<b>Cambodia</b>	DTISU (completed)	UNDP	29-Sep-09	194,355		194,355
	Support to NIAs (Tier 1 Phases 1 and 2) (completed)	Government	29-Sep-09	1,288,392		1,288,392
	Sustainability Support	Government	22-Dec-16		120,000	120,000
Cambodia - Total				1,482,747	120,000	1,602,747
<b>Central African Republic</b>	DTISU (completed)	UNDP	12-May-10	29,455		29,455
	Support to NIAs (Tier 1 Phase 1)	Government	12-May-10	900,000		900,000
Central African Republic - Total				929,455		929,455
<b>Chad</b>	DTISU (completed)	UNDP	09-Jun-11	367,000		367,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	09-Jun-11	1,500,000		1,500,000
	Support to NIAs through ITA	UNOPS	09-Jun-11	754,410		754,410
Chad - Total				2,621,410		2,621,410
<b>Comoros</b>	DTISU (completed)	UNDP	25-Jan-11	256,791		256,791
	Support to NIAs (Tier 1 Phase 1) (completed)	UNDP	25-Jan-11	900,000		900,000
	Support to NIAs (Tier 1 Phase 2) (completed)	Government	02-Jun-14	600,000		600,000
Comoros - Total				1,756,791		1,756,791

Country	Title	MIE	Approval Date	EIF Phase One Approved Budget (US\$)	EIF Phase Two Approved Budget (US\$)	Total Approved Budget (US\$)
<b>Congo, Democratic Republic of the</b>	Pre-DTIS (completed)	Government	15-Jan-10	49,841		49,841
	DTIS (completed)	World Bank	08-Oct-08	400,000		400,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	31-May-11	1,200,159		1,200,159
	Support to NIAs through ITA Tier 1 Phase 1 (completed)	UNDP	31-May-11	252,520		252,520
	Support to NIAs through ITA Tier 1 Phase 2	UNDP	09-Dec-15	125,260		125,260
Congo, Democratic Republic of the - Total				2,027,780		2,027,780
<b>Djibouti</b>	DTISU	UNCTAD	01-Jun-11	200,000		200,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	01-Jun-11	1,384,590		1,384,590
	Support to NIAs through ITA	UNOPS	01-Jun-11	668,800		668,800
Djibouti - Total				2,253,390		2,253,390
<b>Ethiopia</b>	DTISU	UNCTAD	09-Sep-14	400,000		400,000
	Support to NIAs (Tier 1 Phase 1)	Government	26-Mar-14	900,000		900,000
	Support to NIAs through ITA (completed)	ES	16-Sep-14	49,963		49,963
Ethiopia - Total				1,349,963		1,349,963
<b>Gambia, The</b>	DTISU (completed)	UNCTAD	15-Dec-09	197,950		197,950
	Mainstreaming	UNCTAD	04-Nov-15	73,000		73,000
	Support to NIAs (Tier 1 Phases 1 and 2) (completed)	Government	15-Dec-09	1,500,000		1,500,000
Gambia, The - Total				1,770,950		1,770,950
<b>Guinea</b>	DTISU	World Bank	23-Nov-11	280,350		280,350
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	23-Nov-11	1,500,000		1,500,000
Guinea - Total				1,780,350		1,780,350

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Country	Title	MIE	Approval Date	EIF Phase One Approved Budget (US\$)	EIF Phase Two Approved Budget (US\$)	Total Approved Budget (US\$)
<b>Guinea-Bissau</b>	DTISU (completed)	UNDP	22-Nov-10	200,000		200,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	22-Nov-10	1,500,000		1,500,000
	Support to NIAs through ITA (completed)	UNDP	10-Sep-14	226,800		226,800
Guinea-Bissau - Total				1,926,800		1,926,800
<b>Haiti</b>	Pre-DTIS (completed)	Government	15-Oct-10	50,000		50,000
	DTIS (completed)	World Bank	11-Aug-11	294,641		294,641
	Support to NIAs (Tier 1 Phase 1)	Government	17-Dec-12	900,000		900,000
Haiti - Total				1,244,641		1,244,641
<b>Kiribati</b>	DTISU	UNDP	18-Jun-15			0
	Support to NIAs (Tier 1 Phase 1 - Year 1)	UNDP	18-Jun-15	300,000		300,000
Kiribati - Total				300,000		300,000
<b>Lao PDR</b>	DTISU (completed)	Government	29-Oct-10	390,484		390,484
	Mainstreaming (completed)	Government	28-Oct-14	198,500		198,500
	Support to NIAs (Tier 1 Phases 1 and 2) (completed)	Government	26-Jan-10	1,446,514		1,446,514
Lao PDR - Total				2,035,498		2,035,498
<b>Lesotho</b>	DTISU (completed)	USAID	26-Jan-10	160,000		160,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	26-Jan-10	1,474,000		1,474,000
Lesotho - Total				1,634,000		1,634,000
<b>Liberia</b>	DTISU (completed)	World Bank	22-Oct-09	200,000		200,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	22-Oct-09	1,499,900		1,499,900
Liberia - Total				1,699,900		1,699,900
<b>Madagascar</b>	Pre-DTIS (completed)	Government	17-Jun-14	50,000		50,000
	DTISU (completed)	World Bank	23-Jul-13	224,422		224,422
	Support to NIAs (Tier 1 Phase 1)	Government	07-Nov-16		300,000	300,000
Madagascar - Total				274,422	300,000	574,422

Country	Title	MIE	Approval Date	EIF Phase One Approved Budget (US\$)	EIF Phase Two Approved Budget (US\$)	Total Approved Budget (US\$)
<b>Malawi</b>	DTISU (completed)	World Bank	23-Sep-09	198,869		198,869
	Support to NIAs (Tier 1 Phase 1) (completed)	Government	23-Sep-09	899,250		899,250
	Support to NIAs (Tier 1 Phase 2)	Government	11-Jul-16		300,000	300,000
Malawi - Total				1,098,119	300,000	1,398,119
<b>Maldives</b>	Support to NIAs (Tier 1 Phases 1 and 2)	Government	22-Dec-10	1,500,000		1,500,000
Maldives - Total				1,500,000		1,500,000
<b>Mali</b>	DTISU (completed)	UNCTAD	14-Jul-10	200,000		200,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	14-Jul-10	1,499,378		1,499,378
Mali - Total				1,699,378		1,699,378
<b>Mauritania</b>	DTISU	World Bank	08-Sep-14	400,000		400,000
Mauritania - Total				400,000		400,000
<b>Mozambique</b>	DTISU (completed)	UNCTAD	26-Oct-12	200,000		200,000
	Support to NIAs (Tier 1 Phase 1)	Government	12-Mar-12	900,000		900,000
	Support to NIAs through ITA (completed)	UNDP	12-Mar-12	184,150		184,150
Mozambique - Total				1,284,150		1,284,150
<b>Myanmar</b>	Pre-DTIS (completed)	Government	11-Dec-13	50,000		50,000
	DTIS (completed)	World Bank	18-Jun-14	400,000		400,000
	Support to NIAs (Tier 1 Phase 1)	Government	09-Jun-15	300,000		300,000
Myanmar -Total				750,000		750,000
<b>Nepal</b>	DTISU	Government	19-Jun-14	182,000		182,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	15-Mar-10	1,318,000		1,318,000
Nepal - Total				1,500,000		1,500,000
<b>Niger</b>	DTISU	UNCTAD	26-Jan-11	200,000		200,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	26-Jan-11	1,500,000		1,500,000
Niger - Total				1,700,000		1,700,000

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Country	Title	MIE	Approval Date	EIF Phase One Approved Budget (US\$)	EIF Phase Two Approved Budget (US\$)	Total Approved Budget (US\$)
<b>Rwanda</b>	Support to NIAs (Tier 1 Phases 1 and 2)	Government	23-Sep-09	1,634,400		1,634,400
Rwanda - Total				1,634,400		1,634,400
<b>Samoa</b>	DTISU	Government	08-Oct-12	200,000		200,000
	Support to NIAs (Tier 1 Phase 1)	Government	08-Oct-12	900,000		900,000
Samoa - Total				1,100,000		1,100,000
<b>São Tomé and Príncipe</b>	DTISU (completed)	World Bank	26-Apr-12	173,521		173,521
São Tomé and Príncipe - Total				173,521		173,521
<b>Senegal</b>	DTISU (completed)	UNCTAD	24-Nov-11	195,734		195,734
	Support to NIAs (Tier 1 Phase 1) (completed)	Government	24-Nov-11	900,000		900,000
	Support to NIAs (Tier 1 Phase 2)	Government	23-Jun-16		300,000	300,000
Senegal - Total				1,095,734	300,000	1,395,734
<b>Sierra Leone</b>	DTISU (completed)	World Bank	01-Jul-09	199,661		199,661
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	01-Jul-09	1,408,859		1,408,859
Sierra Leone - Total				1,608,520		1,608,520
<b>Solomon Islands</b>	DTISU	Government	26-Aug-15	0		0
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	21-Dec-10	1,200,000		1,200,000
Solomon Islands - Total				1,200,000		1,200,000
<b>Somalia</b>	Pre-DTIS (completed)	Government	15-Jul-15	50,875		50,875
Somalia - Total				50,875		50,875
<b>South Sudan</b>	Pre-DTIS (completed)	Government	10-Dec-13	50,000		50,000
	DTIS (completed)	UNDP	24-Jan-13	400,000		400,000
South Sudan - Total				450,000		450,000
<b>Sudan</b>	DTISU (completed)	World Bank	23-Apr-13	197,549		197,549
Sudan - Total				197,549		197,549
<b>Tanzania</b>	DTISU	World Bank	30-Oct-15	350,000		350,000
	Support to NIAs (Tier 1 Phase 1)	UNDP	13-May-13	900,000		900,000
Tanzania - Total				1,250,000		1,250,000

Country	Title	MIE	Approval Date	EIF Phase One Approved Budget (US\$)	EIF Phase Two Approved Budget (US\$)	Total Approved Budget (US\$)
<b>Timor-Leste</b>	Pre-DTIS	Government	15-Jan-10	50,000		50,000
Timor-Leste - Total				50,000		50,000
<b>Togo</b>	Pre-DTIS (completed)	Government	15-Jan-10	50,000		50,000
	DTIS (completed)	World Bank	08-Oct-08	400,000		400,000
	DTISU	Government	06-Oct-15	200,000		200,000
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	23-Nov-11	1,500,000		1,500,000
Togo - Total				2,150,000		2,150,000
<b>Tuvalu</b>	DTISU	UNDP	14-Dec-12	200,000		200,000
	Support to NIAs (Tier 1 Phase 1)	UNDP	14-Dec-12	900,000		900,000
Tuvalu - Total				1,100,000		1,100,000
<b>Uganda</b>	DTISU (completed)	World Bank	28-Sep-09	192,388		192,388
	Support to NIAs (Tier 1 Phases 1 and 2)	Government	28-Sep-09	1,499,985		1,499,985
Uganda - Total				1,692,373		1,692,373
<b>Vanuatu</b>	DTISU	Government	24-Sep-13	200,000		200,000
	Support to NIAs (Tier 1 Phase 1)	Government	24-Sep-13	900,000		900,000
Vanuatu - Total				1,100,000		1,100,000
<b>Yemen</b>	DTISU (completed)	UNDP	01-Jul-09	237,010		237,010
	Support to NIAs (Tier 1 Phase 1)	Government	01-Jul-09	931,000		931,000
Yemen - Total				1,168,010		1,168,010
<b>Zambia</b>	DTISU (completed)	World Bank	12-Jul-12	397,148		397,148
	Support to NIAs (Tier 1 Phase 1) (completed)	Government	08-Feb-10	899,400		899,400
	Support to NIAs (Tier 1 Phase 2)	Government	11-Feb-16		300,300	300,300
Zambia - Total				1,296,548	300,300	1,596,848
<b>Grand Total</b>				<b>60,909,735</b>	<b>2,070,300</b>	<b>62,980,035</b>

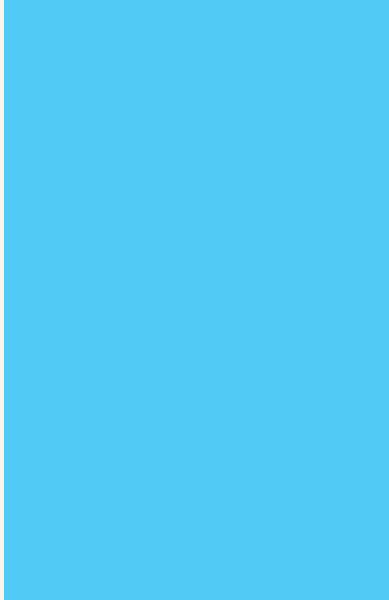
### Annex 3 – Tier 2 projects

Below is the table of EIF Tier 2 projects. No new Tier 2 projects were approved in 2016.

Country	Title	MIE	Approval Date	Total Approved Budget (US\$)
<b>Benin</b>	RCPC	Government	24-Jul-14	2,999,089
Benin – Total				2,999,089
<b>Burkina Faso</b>	Mango and cashew	Government	15-Apr-14	2,999,089
	Sesame	Government	17-Sep-12	2,666,884
	Shea butter – Feasibility study (completed)	ITC	22-Nov-13	196,094
Burkina Faso – Total				5,862,067
<b>Burundi</b>	Export support mechanisms	Government	20-Dec-12	606,274
	SPS	UNIDO	04-Jul-12	2,610,372
Burundi – Total				3,216,646
<b>Cambodia</b>	CEDEP I - Evaluation (completed)	Government	06-Aug-12	290,520
	CEDEP I - Rice (completed)	World Bank	06-Aug-12	1,112,847
	CEDEP I - Silk (completed)	ITC	06-Aug-12	974,980
	CEDEP II - ACAC	Shift 360	13-Jan-14	950,000
	CEDEP II - Cassava	UNDP	13-Jan-14	997,026
	CEDEP II - Evaluation	Government	13-Jan-14	347,610
	CEDEP II - Marine fishery	UNIDO	13-Jan-14	988,953
Cambodia – Total				5,661,936
<b>Chad</b>	Gum arabic - PRCCGA	Government	11-Oct-13	2,539,734
	Feasibility study (completed)	UNIDO	19-Feb-14	189,312
	Gum arabic - ITA support	UNOPS	11-Oct-13	460,260
Chad – Total				3,189,306
<b>Comoros</b>	Export competitiveness	UNDP	10-Jan-14	3,527,131
Comoros – Total				3,527,131
<b>Congo, Democratic Republic of the</b>	Palm oil	Government	15-Dec-14	2,661,080
Congo, Democratic Republic of the – Total				2,661,080
<b>Gambia, The</b>	SCEDP (completed)	ITC	18-Jan-12	2,355,517
	Trade facilitation (Airport)	Government	04-Apr-13	2,494,200
Gambia, The – Total				4,849,717
<b>Guinea</b>	Mango (PRODEFIMA)	Government	21-Nov-13	2,998,148
Guinea – Total				2,998,148
<b>Lao PDR</b>	Quality and statistics	Government	27-Nov-13	2,520,350
Lao PDR – Total				2,520,350
<b>Lesotho</b>	Agricultural productivity	ITC	21-Dec-12	2,735,685
Lesotho – Total				2,735,685
<b>Liberia</b>	Tourism and furniture feasibility studies	ITC	13-Aug-15	199,433
Liberia – Total				199,433

Country	Title	MIE	Approval Date	Total Approved Budget (US\$)
<b>Malawi</b>	Smallholder linkage to agro processing (NASFAM)	National Smallholder Farmer's Association of Malawi (NASFAM)	16-Sep-14	1,648,750
	Support to agro-processing (MITC)	Government	16-Sep-14	1,550,818
Malawi - Total				3,199,568
<b>Maldives</b>	Strengthening TF institutional capacity	Government	30-May-13	1,557,838
Maldives - Total				1,557,838
<b>Mali</b>	Gum arabic	Government	17-Feb-12	4,369,153
Mali - Total				4,369,153
<b>Nepal</b>	Ginger competitiveness (completed)	Food and Agriculture Organization	06-May-12	711,550
	Medicinal and aromatic plants (MAPs)	Deutsche Gesellschaft für Internationale Zusammenarbeit	18-Nov-13	3,900,000
	Pashmina (PETS)	ITC	22-May-13	1,861,603
Nepal - Total				6,473,153
<b>Niger</b>	Leather (hides and skins)	Government	19-Aug-13	2,445,100
Niger - Total				2,445,100
<b>Rwanda</b>	Cross-border capacity development	Government	08-Dec-14	3,485,870
Rwanda - Total				3,485,870
<b>Samoa</b>	TSSP	Government	30-Apr-14	2,944,223
Samoa - Total				2,944,223
<b>Senegal</b>	Mango competitiveness	Government	20-Aug-14	2,991,358
Senegal - Total				2,991,358
<b>Sierra Leone</b>	Sustainable tourism	Government	27-Jan-12	2,990,000
Sierra Leone - Total				2,990,000
<b>Solomon Islands</b>	Tourism (SI-TIDE)	Government	22-Jan-14	1,544,700
Solomon Islands - Total				1,544,700
<b>Togo</b>	Soya	Government	20-Oct-14	3,000,000
Togo - Total				3,000,000
<b>Uganda</b>	District commercial services (DICOSS)	Government	30-Aug-11	2,998,119
Uganda - Total				2,998,119
<b>Vanuatu</b>	Tourism infrastructure (VTIP)	Government	18-Dec-14	3,150,000
Vanuatu - Total				3,150,000
<b>Yemen</b>	Center for bee disease (CBDP)	<i>icipe</i>	31-Oct-14	2,362,560
	Honey productivity and quality (IHPQ)	<i>icipe</i>	21-Dec-12	1,807,500
Yemen - Total				4,170,060
<b>Zambia</b>	Honey (TIPEC-ZAS) (completed)	SNV Netherlands Development Organization	28-Jan-13	2,469,930
Zambia - Total				2,469,930
<b>Grand Total</b>				<b>88,209,660</b>





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