

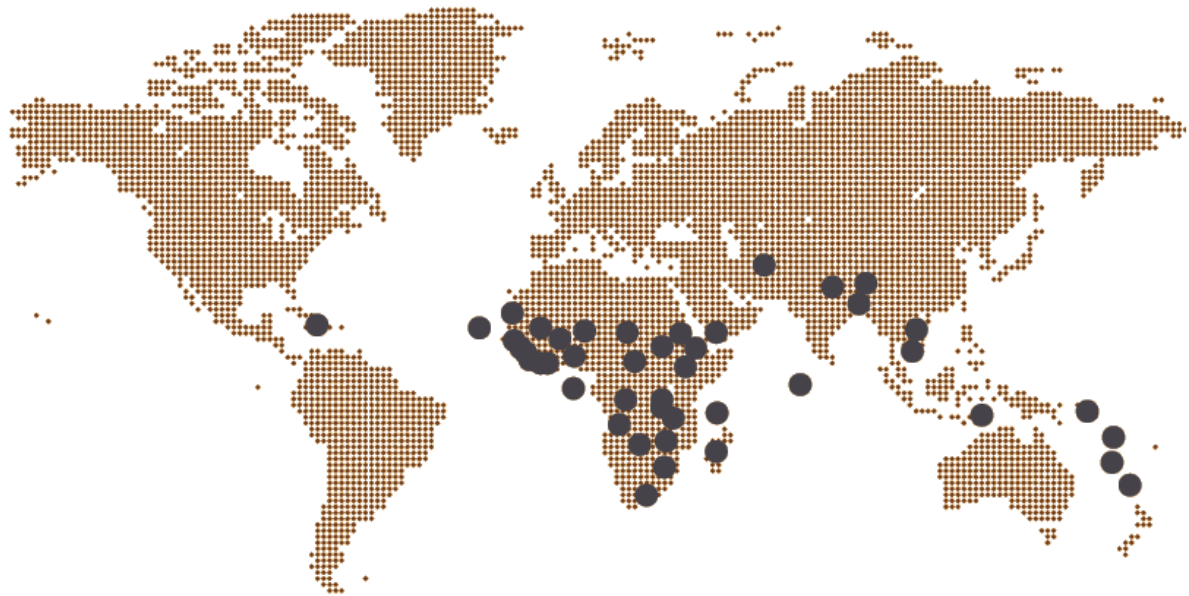


Enhanced Integrated Framework (EIF)  
for trade-related assistance for Least Developed Countries (LDCs)



# Enhanced Integrated Framework (EIF)

for trade-related assistance  
for Least Developed Countries



## EIF PROGRESS REPORT

For the period 1 January 2011 to 31 December 2011

**Donors to the EIF Trust Fund:** Australia, Belgium, Canada, Denmark, Estonia, European Union, Finland, France, Germany, Hungary, Iceland, Ireland, Japan, Luxembourg, Norway, Republic of Korea, Saudi Arabia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States of America.

**EIF Core and Observer Agencies:** IMF, ITC, UNCTAD, UNDP, UNIDO, World Bank and World Trade Organization and UNOPS as the Trust Fund Manager.

## **Introductory Note**

This joint Executive Secretariat for the EIF (ES) and EIF Trust Fund Manager (TFM) report covers the period 1 January to 31 December 2011 and is the first to report in line with the EIF Monitoring and Evaluation (M&E) Framework approved in July 2011. As indicated by the EIF Board, this report has been realigned for the 2011 calendar year, which implies that a small portion (2011 Q1) overlaps the previous report. The report provides an overview of the implementation of the EIF Programme in general as well as specific country information and an outlook of activities for 2012.

## Table of Contents

<b>PART 1: EXECUTIVE SUMMARY AND PROGRAMME REPORT</b> .....	<b>4</b>
<b>A. EXECUTIVE SUMMARY</b> .....	<b>4</b>
<b>B. EIF ADMINISTRATION</b> .....	<b>10</b>
<b>C. PROJECT PORTFOLIO AND IMPLEMENTATION</b> .....	<b>15</b>
<b>D. 2011 FIDUCIARY ASPECTS</b> .....	<b>21</b>
<b>E. OTHER ONGOING EIF ACTIVITIES</b> .....	<b>26</b>
<b>F. STRATEGIC PARTNERSHIPS AND COLLABORATION</b> .....	<b>31</b>
<b>G. PROGRAMME-LEVEL RESULTS: WHAT IS HAPPENING IN THE FOUR OUTCOME AREAS</b> .....	<b>35</b>
<b>H. OUTLOOK 2012</b> .....	<b>40</b>
<b>PART 2: EIF COUNTRY SUMMARY REPORTS AND ANNEXES</b> .....	<b>42</b>
<b>A. SUMMARY TABLE: APPROVED EIF PROJECTS</b> .....	<b>43</b>
<b>B. COUNTRY REPORTS</b> .....	<b>47</b>
<b>ANNEXES</b> .....	<b>175</b>
<b>A. ANNEX 1. FUNDING PROJECTIONS AND ADMIN COST RATIO</b> .....	<b>175</b>
<b>B. ANNEX 2: TFM LEGAL ARRANGEMENTS</b> .....	<b>177</b>
<b>C. ANNEX 3: DONOR CONTRIBUTION DETAILS</b> .....	<b>179</b>
<b>D. ANNEX 4: LDC IMPLEMENTATION OF PROJECTS</b> .....	<b>180</b>
<b>E. ANNEX 5: TFM 2011 WORK PLAN AND FURTHER DETAILS</b> .....	<b>181</b>
<b>F. ANNEX 6: ADDITIONAL ES AND TFM RECRUITMENT DETAILS</b> .....	<b>184</b>

## PART 1: EXECUTIVE SUMMARY AND PROGRAMME REPORT

### A. EXECUTIVE SUMMARY

Forty-eight countries are currently designated by the United Nations as “Least Developed Countries” (LDCs).<sup>1</sup> These include Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, The Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Lao People’s Democratic Republic, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Myanmar, Nepal, Niger, Rwanda, Samoa, São Tomé and Príncipe, Senegal, Sierra Leone, Solomon Islands, Somalia, Sudan, Timor-Leste, Togo, Tuvalu, Uganda, Tanzania, Vanuatu, Yemen and Zambia.

The Fourth United Nations Conference on the Least Developed Countries (LDC–IV) held in Istanbul in May 2011 affirmed the central role of building trade and productive capacity in LDCs to overcome structural challenges, reduce poverty and achieve LDC graduation.<sup>2</sup> In 2011, trade was an important factor in the development path of Least Developed Countries, with exports growing by 23.9 per cent in 2011 to reach a historic high of US\$229.8 billion. Likewise, LDCs total trade in goods and commercial services grew by 21.8 per cent, outstripping the world average growth of 17.8 per cent. This has resulted in an increased share of LDCs in world trade from 1.09 per cent in 2010 to 1.12 per cent in 2011. Although positive, a significant proportion of this growth in value is derived from commodity price increases.

Structural challenges remain and the Enhanced Integrated Framework (EIF) continues to work with LDCs and partners to 1. Mainstream trade into national development strategies; 2. Set up structures needed to coordinate the delivery of TRTA; and 3. Build capacity to trade, which includes addressing critical supply-side constraints. The programme focuses on country ownership and national governance structures, empowering and working through national processes in defining and delivering trade capacity; greater coordination and commitments from all EIF partners, stronger global governance structures and additional resources.

The ES and the TFM in collaboration with other EIF stakeholders finalized the work on the EIF Strategic Plan up to 2013, which was adopted by the EIF Board, to focus on the areas of i) consolidation and acceleration of delivery for Tier 1 and Tier 2 projects; ii) Operationalization of the EIF Monitoring and Evaluation (M&E) Framework, including the EIF Mid-Term Review; and iii) Enhancing the effectiveness of National Implementation Arrangements (NIAs).

Within this mandate, the EIF Executive Secretariat (ES) and Trust Fund Manager (TFM) focused on building and consolidating the NIAs so as to lay the institutional foundation to support the development and implementation of projects, but more importantly to pave the way for initiating mainstreaming of trade. As of end 2011, 34 of 48 Least Developed Countries (LDCs) and recently graduated countries have approved EIF projects, reaching 23 countries in Africa, 9 in Asia/Pacific, 1 in the Caribbean and 1 in the Middle East. By the end of 2012, it is expected that close to 40 LDCs will have approved or advanced draft EIF projects. In 2011, the majority of projects were implemented directly by government entities with the exception of Diagnostic Trade Integration Studies (DTIS) (and DTIS Updates) and one Tier 1 project. By the end of 2011, 25 EIF Countries indicated that trade was now included in their country's National Development Plan. Three capacity-building modules on Trade Mainstreaming; Project Identification and Formulation; and

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<sup>1</sup> The Maldives became the third country to officially graduate from LDC status in January 2011 and is now a recently graduated country.

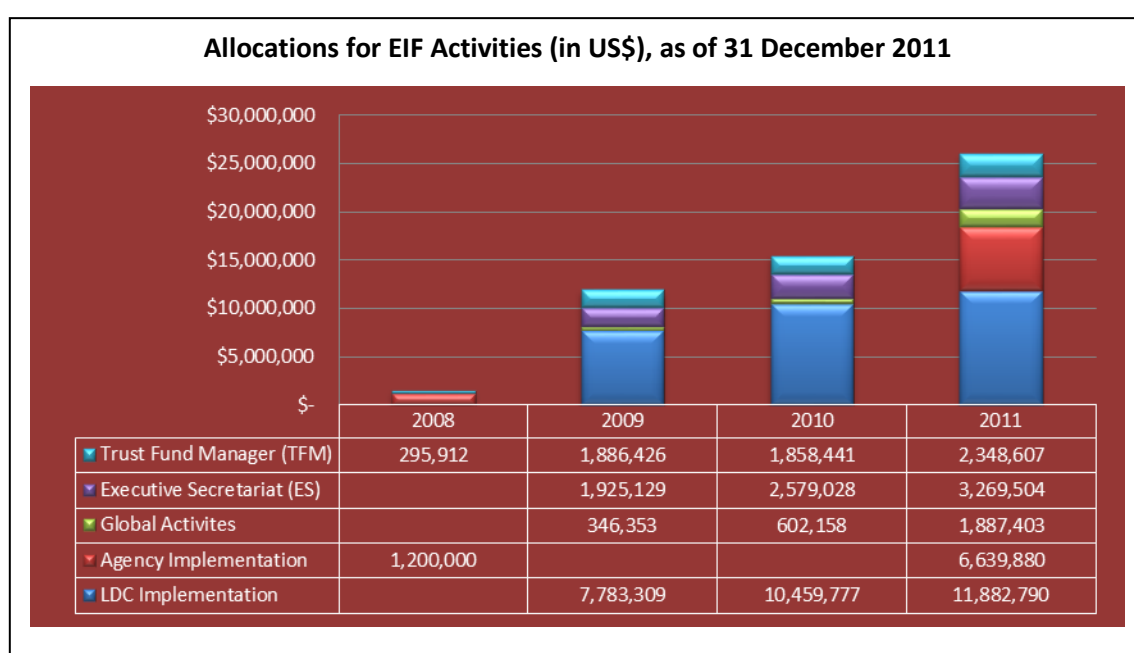
<sup>2</sup> IPOA goal being “to overcome the structural challenges faced by least developed countries in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the least developed country category”.

Gender and Trade have been undertaken. Further work was undertaken on making the joint ES/TFM Database more user-friendly and enhancing the reporting capacity.

On the fiduciary front, the main legal instruments are operational, thus building a suitable legal partnership framework with all the EIF stakeholder groups. At US\$224.8 million, total commitments to the EIF represent close to 90 per cent of the initial US\$250 million target. Donor support and commitment to the EIF remains strong, both in funds received and demonstrated during the last EIFSC. As such, Donors have generally fulfilled their commitments and pledges to reach the funding target of US\$250 million, with a new donor (Australia) joining the EIF, such that the EIF Trust Fund currently stands at a healthy US\$224.8 million committed and US\$156.6 million received (approximately 63 per cent of the total funding target). Allocations for EIF projects in 2011 were US\$12 million (including approximately US\$9 million in Tier 1 projects and US\$3 million for the first Tier 2 project) for a total allocation of US\$26.2 million during the year and a total allocation to date (end 2011) of US\$55.4 million.

By December 2011, the EIF Board had approved a total of 68 projects, including the first Tier 2 project. Of these, 53 projects are LDC-implemented, while 15 are implemented by EIF Agencies (ITC, UNCTAD, UNDP, UNOPS for International Trade Advisors (ITAs), USAID and the World Bank). US\$31.5 million has been disbursed to date, with US\$17 million disbursed in 2011 (a 120 per cent increase over 2010 disbursements). Tier 1 processes are under way in 34 EIF Countries, representing almost three quarters of the 48 LDCs. As the number of active Tier 1 projects has increased, the engagement of the ES and the TFM in capacity building of institutional, managerial and fiduciary matters has followed suit, as demonstrated through the numbers of start-up facilitation and supervision missions. With the increase in Tier 1 projects, allocations for EIF activities have also drastically increased, more than doubling from 2010, for a total of US\$55.4 million. Reports from LDCs and Agencies are generally received in a satisfactory manner, and disbursements following analysis and approval of such reports are effected in a timely manner. There has been a sharp increase in the number of reports received and processes during the reporting period. The Tier 2 portfolio has now officially begun with the approval of the first Tier 2 projects, with a number of other proposals being finalized for submission to the EIF Board.

Twenty-three Tier 2 projects and 18 Tier 1 projects were in the pipeline at the end of 2011, which would bring the total value of EIF Tier 1 commitments to US\$48.2 million, and (at an estimated value of US\$3 million per Tier 2 project), US\$72 million in Tier 2 commitments. One Tier 2 project was approved by the EIF Board in 2011 (Uganda District Commercial Services Support Project (DICOSS)), with a further three submitted for consideration by the end of the year 2011.

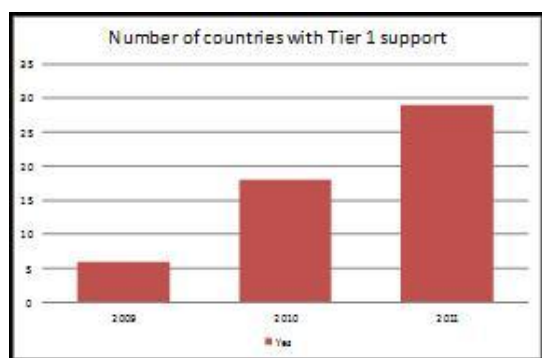


The continued coordination efforts and further strengthened cooperation between the ES and the TFM teams strengthened the EIF Programme, particularly in the management of country portfolios. Coordination and interactions with partner agencies has increased as shown in the report and will be key for the delivery of both Tier 1 and Tier 2 projects.

Some of the challenges faced by the ES and the TFM during the reporting period include that project design and formulation for Tier 2 projects takes more time than initially expected given the new modality and method of operation for many countries. This requires dedicated financial and human resources. Delivery of funds at country level continues to be slower than anticipated, though delivery has doubled every year since the EIF began operations and is picking up in pace. Staff capacity for the ES and the TFM will be re-evaluated in 2012, particularly for the TFM Nairobi office and the Pacific region.

The EIF M&E Framework was adopted by the board in 2011 and is seen as a key supportive tool in promoting accountability for the achievements of EIF objectives. Implementation of the framework has begun, with this progress report including reporting and references to the M&E outcomes and indicators. Furthermore, planning was conducted for the EIF Review (MTR) an important input into the decision on the extension of the EIF mandate beyond 2013. Indicative results for the four outcome indicators are as follows:

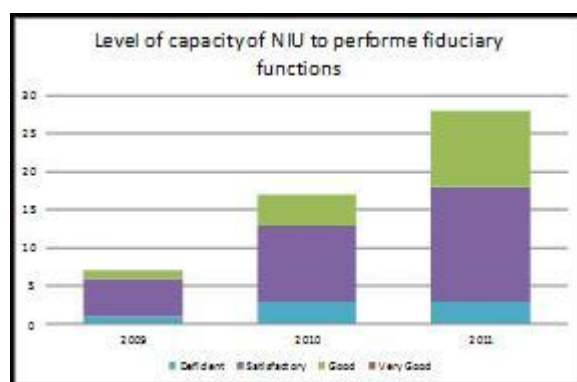
**Outcome 1: *Sufficient institutional and management capacity built in EIF Countries to formulate and implement trade-related strategies and implementation plans***



- **O1.1: The number of EIF Countries that have established a National Implementation Unit (NIU) or have incorporated EIF support into the national systems increased five-fold over the baseline to reach 29 countries in 2011.** Proposals for support to a further 11 countries are in development, which will bring the total number of supported projects to 40.

- **O1.2: Eleven DTIS or DTIS Updates (and seven pre-DTIS) had been undertaken, with seven of these completed and/or in process during 2011.**<sup>3</sup> In 2012, a further nine studies are planned, which will result in 20 DTIS/DTIS Updates undertaken. Despite this effort, the M&E Indicator shows a declining number of 'recent'<sup>4</sup> DTIS Action Matrices, indicating that a greater number of EIF Country DTISs are over three years old. However, this situation is expected to start to change in 2012 as more recent DTIS studies or updates are validated.

- **O1.3: Fiduciary capacity of EIF Countries has improved significantly, with the majority of countries rated at satisfactory or above.** Twenty-five countries out of the 29 (approximately 86 per cent) had satisfactory or better fiduciary ratings for their NIUs. For the small number of NIUs that were assessed to be deficient, either as a result of a temporary political situation or low assessed initial capacity, targeted



<sup>3</sup> Three DTIS/U in 2008 (3); 2010 (1 & 7 pre-DTIS); 2011 (7).

<sup>4</sup> Defined as less than three years old.

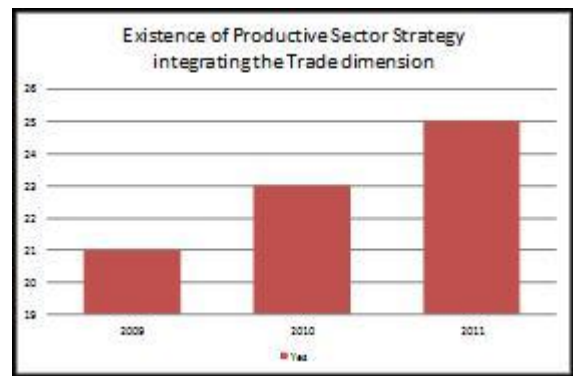
assistance and training are being designed and delivered to them, including through agency implementation and ITA support.

- **O1.4: The number of EIF Countries reporting a trade strategy has increased from the baseline of eight to a current total of eleven (2011).** These figures do not include countries that reported documents such as a national action plan (with trade sections), nor trade strategies reported to be more than five years old. Most countries that reported to have a trade strategy rated the trade strategy to be at least satisfactory in quality. Of those reporting to have a quality trade strategy, about 30 per cent of the countries do not have an implementation plan or have not satisfactorily implemented the trade strategy.

**Outcome 2: EIF Countries mainstream trade into their national development strategies and plans**

- **O2.1: Trade is increasingly being incorporated into LDCs' National Development Plans (NDPs) or Poverty Reduction Strategy Papers (PRSP).** The quality of trade in these plans has also improved, with a greater percentage of the countries now with at least a 'good' level of integrating trade into their national development strategies.

- **O2.2: This positive trend has also been translated into mainstreaming trade into productive sector strategies.** Over the three years to 2011, the number of countries incorporating trade into their sector strategies has increased. The most commonly reported sectors with trade mainstreamed include agriculture, tourism, energy, industry, transport and infrastructure.

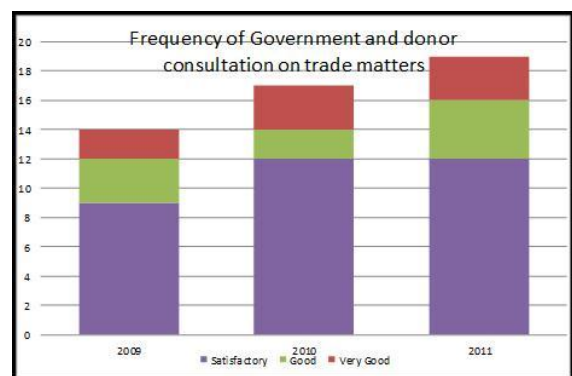


- **O2.3: Overall, the number of countries reporting satisfactory or above public-private dialogue mechanisms has remained constant. However, over the three years, we have seen a number of countries move into the 'very good' category.** This implies more and effective frequent public-private sector dialogue on trade-related issues and a higher level of private sector involvement in decision-making and trade policy formulation and implementation.

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

- **O3.1: There has been a moderate increase from 12 to 15 in the number of countries that have a publicly available annual rolling implementation overview for trade-related funding.**

- **O3.2: The number of countries having government and donor consultation on trade matters shows a positive trend, increasing from 14 to 19 countries, with the frequency of consultation most commonly rated as satisfactory.**

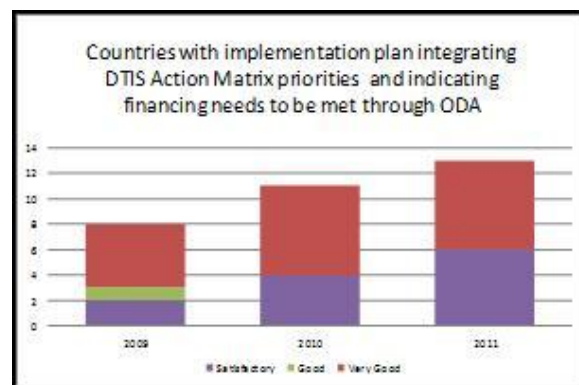


- **O3.3: Fourteen (Tier 1) countries report ongoing joint donor initiatives in trade.** This represents an increase from 11 in

2009 and shows progress towards the goal of 50 per cent of countries having good government-donor consultative mechanisms on trade-related matters.

**Outcome 4: EIF Countries secure resources in support of initiatives that address DTIS Action Matrices**

**O4.1: There has been an increase in the number of countries with implementation plans that integrate DTIS Action Matrix priorities and indicate financial needs to be met through Overseas Development Assistance (ODA), from 8 in 2009 to 13 in 2011.** In order to meet this challenge of leveraging resources and coordinating donor support, EIF Countries are implementing plans that integrate DTIS Action Matrix priorities as a tool to source financial resources.



**O4.2: Since 2009, there has been a gradual increase in the number of countries whose national governments are allocating funds for the implementation of their trade strategy.** Implementation plans do not only consider financial requirements from donors, but also indicate government counterpart financial support through EIF Country national budgets.

**O4.3: The number of countries reporting projects funded on the basis of the DTIS Action Matrix showed a fall in 2010 but a rise again in 2011.** The number of projects funded by donors, per country and per year appears to be on the rise, with some countries reporting up to three projects in 2011.

### 2012 Outlook

The EIF has focused on building strong foundations for trade mainstreaming and country-led delivery supported by strong and growing political and technical support for the trade process in LDC governments. By the end of 2012, beginning of 2013, it is expected that:

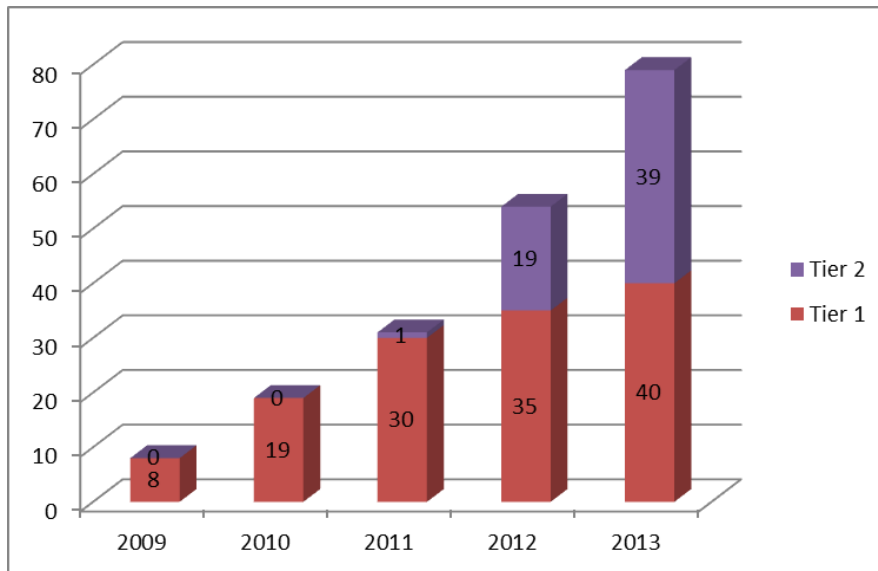
- National Implementation Arrangements (NIAs) led by a stronger trade ministry (Tier 1 projects) will be active in 40 countries;
- Thirty-three DTISs (and DTIS Updates) will be process or have been completed, with a focus on to aligning with NDPs; and
- EIF Countries will continue to build on the inclusion of trade in LDC NDPs as the EIF process aligns with the national planning and implementation cycle.

By the end of 2012, it is expected that 19 Tier 2 projects will be active, with at least 20 more LDC Tier 2 projects at various stages of development.

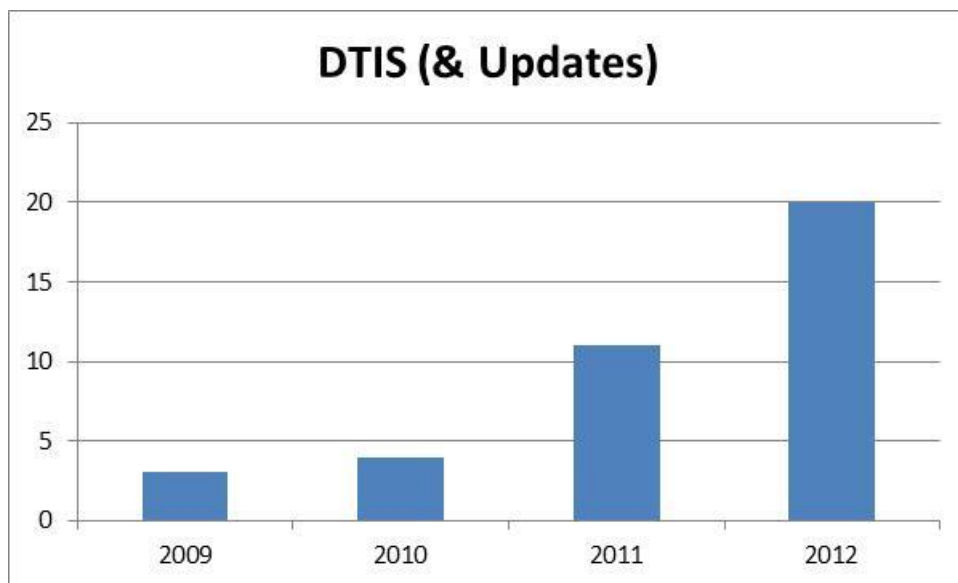
The figure below shows the trend of approved and active pipeline EIF projects. The figures are actual for 2009-2011. It is expected that a further 18 Tier II projects will be approved by the end of 2012, and a remaining 20 in the active pipeline. This does not include any additional Tier 2 pipeline projects that are not already notified to the ES and may yet be submitted by countries. Likewise, there were 29 Tier 1 projects approved by December 2011 with a further 10 active pipeline projects.



### EIF Tier 1 and Tier 2 approvals and active pipeline



In 2011, 11 DTIS or DTIS Updates had been approved and/or conducted. In line with the increase in number of active Tier 1 projects, this number is expected to increase to a total of 20 DTIS (or DTIS Updates) completed or in process in 2012. This is in addition to the seven pre-DTIS Update projects already undertaken.



Some Tier 1 projects will soon be in the third year of implementation. As such, a number of extension requests will be received for the final planned two years of operation. Furthermore, sustainability will have to be considered now structures and processes have largely been established. While the EIF Compendium and M&E Framework have been finalized and approved, a number of remaining guidelines remain to be developed, namely on feasibility studies and Tier 1 project extensions. In 2012, the ES in collaboration with EIF partners will develop capacity-building modules on M&E, programmatic approach in project development and communications in support of programme delivery. The EIF database is expected to be ready for use in mid-2012.

As provided for in the Compendium of EIF guidelines, the EIF will undergo an MTR in 2012. The MTR will provide recommendations to the Board for implementation of the remaining mandate of the EIF. The MTR will also be a key input into planning the future direction of the EIF process, and in particular any decision on the extension of the mandate of the EIF beyond 2013.

## **B. EIF ADMINISTRATION**

### **The EIF Steering Committee (EIFSC)**

During the period under review, the EIFSC met once as per minimal requirements. The meeting was held on 17 November 2011 and chaired by H.E. Ambassador Hannu Himanen of Finland.

The EIFSC continued to play its oversight role, and as part of this, deliberated on the EIF Board Chairman's 2011 report during the last meeting.

In the year to come, the EIFSC prepare to engage and prepare for a decision on the EIF mandate beyond 2013, with the findings of the EIF MTR being a key input in this regard.

### **The EIF Board**

The EIF Board met three times during the year under consideration. EIF Board meetings took place during the months of March, July and November 2011.

In 2011, the EIF Board approved the EIF Strategic Plan, focusing on three priority areas, namely:

- i) Consolidation and acceleration of delivery for Tier 1 and Tier 2 projects;
- ii) Operationalization of the EIF Monitoring and Evaluation (M&E) Framework, including the EIF Mid-Term Review; and
- iii) Enhancing the effectiveness of National Implementation Arrangements (NIAs).

In line with the above, at its meeting of November 2010, the EIF Board approved the 2011 budgets for: (1) ES funding to cover its operational costs (approximately US\$3.7 million); (2) TFM funding to cover its operational costs and management fees involving all of the costs of the Geneva office and the regional offices in Bangkok, Dakar and Nairobi, (approximately US\$2.3 million); and (3) global activities to cover EIF events, LDC participation at the EIF Board meetings, consultants, M&E-related activities, capacity needs assessments, capacity building and the Database system (approximately US\$1.9 million). The 2011 TFM fee amounts to US\$195,211, for a grand total of US\$412, 235.

One of the key outcomes of the EIF Board in 2011 was approval of the EIF M&E Framework in 2011. This set the foundation for EIF countries to prepare themselves to start reporting against specific programme outcomes in 2012. A Small Group including LDCs and Donors continued to refine the programme-level logframe. Since then, the ES and the TFM have prepared a Technical Note to accompany the programme level logframe, and a draft text for the M&E part in the Compendium. In the reporting period, a first consultation meeting took place on 22 March 2011 with donor representatives; with a second consultation meeting with donors in May 2011, followed by consultations with the LDC constituency. The M&E documents were approved by the EIF Board in June 2011. M&E workshops to roll out the new EIF M&E Framework were held in Uganda in December 2011 for Anglophone EIF countries.<sup>5</sup>

Furthermore, the EIF Board approved the Compendium of EIF Documents in April 2011, which provides clear guidelines for the programme and all relevant stakeholders.

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<sup>5</sup>A further workshop is planned for Francophone EIF Countries in May 2012.

## **Executive Secretariat for the EIF (ES) and Trust Fund Manager (TFM) for the EIF (UNOPS)**

### **EIF ES and TFM Administration**

Much of the ES/TFM work in 2011 focused on consolidating the Tier 1 efforts so as to lay the institutional foundation to support the development and implementation of projects, but more importantly to pave the way for initiating mainstreaming of trade in the EIF. The ES/TFM working with the EIF Board and other EIF stakeholders worked on the finalization of the EIF M&E Framework seen as a key supportive tool in promoting accountability for the achievements of EIF objectives; effect monitoring and evaluation of progress in achieving results through EIF-supported activities; and promoting learning, feedback and knowledge-sharing on results and lessons learnt among all EIF partners to improve delivery. A Concept Note outlining the specific activities to be undertaken in operationalizing the M&E system at national and global levels, as well as the indicative timings thereof, was in this regard presented to the EIF Board at its meeting of 16 November 2011.

Furthermore, the ES and the TFM in collaboration with other EIF stakeholders finalized the work on the EIF Strategic Plan up to 2013 with the understanding that the EIF MTR would provide input into the decision on the extension of the EIF mandate beyond 2013. If approved, the recommendations stemming from the MTR would form part of the strategy beyond 2013. The current strategy focuses on three priority areas, namely the consolidation and acceleration of Tier 1 and Tier 2 delivery, the operationalization of the EIF M&E Framework including the EIF Mid-Term Review and enhancing the effectiveness of the NIAs. The accompanying action plan will form the basis for the 2012 EIF work plan. Furthermore, the EIF MTR is expected to be undertaken and finalized in the second half of 2012.

The present ES team is led by the Executive Director of the Executive Secretariat for the EIF (ED) and comprising five Country Coordinators, one M&E Coordinator, one Administrative Assistant and one Secretary plus two temporary Communications Officers, continued in 2011 to provide support to EIF Countries in EIF project formulation, implementation and monitoring, as well as facilitating the undertaking of various other EIF capacity-building activities for which progress is detailed below. The ES effort for EIF Programme and project implementation both in-country and globally is complemented by the TFM team. The TFM team consists, as in 2010, of a small technical and administrative capacity based in Geneva (composed of an Executive Officer, Programme Officer, Finance Officer, Legal Officer and Portfolio Assistant) and three regional offices in Dakar, Nairobi and Bangkok, established in late 2008 and managed by three Regional Portfolio Managers and three Portfolio Assistants. Close cooperation between the ES and the TFM team both in Geneva and in the regions has been established with nine regular coordination meetings, two joint planning and review meetings and a number of joint country missions undertaken in 2011.

Building on 2010 in supporting Tier 1 and Tier 2 development, capacity assessments and supervision, a total number of 40 missions were undertaken to 20 countries. The forecast for 2012 is to bring the total number of Tier 1 project proposals that are approved and under implementation to 40 and complimented by 19 Tier 2 projects approved by the end of 2012. Furthermore, the ES and the TFM participated in a number of global events providing opportunities to interact with key partners and have held a great number of bilateral meetings.

To support results and achievements, the ES and the TFM have put in place diverse programmatic tools and operational and managerial procedures ensuring a systematic implementation and follow up of the programme, financial and fiduciary processes. This section provides a brief review of such inputs supporting results for the reporting period.

### **Missions**

To perform its function, the ES and the TFM undertook a number of individual and joint missions in the reporting period, including:

- Capacity Assessment Missions: Prior to project approvals by the EIF Board, a joint capacity assessment mission is undertaken, which forms the basis of recommendations to the EIF Board.<sup>6</sup> During the reporting period, five capacity assessment missions have been undertaken for Tier 1 projects and two for Tier 2 projects (this includes one in Senegal, which did not involve travel). Given the number of NIU support projects already approved, capacity assessment missions for Tier 1 are fewer but should increase for Tier 2.
- Start-up Facilitation Missions: After a legal agreement is signed with the respective MIE and funds are disbursed, there is a start-up facilitation phase aimed to introduce in practice the accountability mechanisms and tools as required. This phase includes a mission to be undertaken by the TFM generally within the first three to six months of a project once it has become operational: eight such missions took place during the reporting period showing that NIU support projects are increasingly becoming fully operational.
- Supervision Missions: After the start-up facilitation phase, the EIF Coordinators and Regional Portfolio Managers undertake supervision missions once or twice a year to follow up on the implementation of projects and submit respective mission reports. Eighteen supervision missions took place in fourteen countries as compared to one in the previous reporting period: this number should further increase in 2012 and 2013.
- Workshops and Partnership Consultations:<sup>7</sup> In 2011, capacity-building activities undertaken through the EIF regional workshop held in Lesotho as well as the M&E workshop held in Uganda. The ES participated in a number of meetings and conferences organised by other agencies, such as the UN LDC IV conference in Istanbul and a UNIDO LDC Ministerial in Vienna, a World Export Development Forum organized by ITC in Kenya, an AFT meeting for Central African States organized by AfDB in Gabon and a workshop on project development organised by UNIDO in Niger. Furthermore, the ES visited the headquarters of UNDP and UNIDO for partnership consultations. Finally, the ED participated in a meeting with ACP and LDC Ambassadors in Brussels, and in the Alpach forum. A workshop to pilot gender training was organised in Rwanda and two workshops to pilot project development were undertaken in Nepal, Rwanda and CAR. The ES/TFM also held two coordination and planning workshops held in Geneva.
- Familiarization/Assistance missions: In addition to the above, the TFM and/or the ES is sometimes required to undertake missions to attend an event related to trade and LDCs and to address specific needs of countries and assistance. Two missions were taken in the reporting period specifically to support Tier 1 project development. Additionally, four missions were undertaken by the ES Outreach team for the EIF film.

### **Project Pre-approval and Approval Process**

As in 2010, the project design and formulation phase – particularly for Tier 2 projects - continues to be in many cases a lengthy process for most LDCs. The approval and disbursement process involves coordination between the ES and the TFM regarding the overall assessment and approval of the project proposals as submitted by the LDCs. It also involves providing comments and inputs on several versions of draft project proposals, coordination regarding fiduciary matters with the LDCs at the different steps of project formulation, finalization of documents and signature of agreements. The process occurs through three different phases: (1) before an assessment mission takes place; (2) from the assessment mission to the submission of the project proposal to the EIF Board; and (3) after project approval by the EIF Board. The three phases engage the whole technical and operational capacities of the ES and the TFM in Geneva and at the regional level in Bangkok, Dakar and Nairobi, as well as in-country main EIF stakeholders (FP, DF, NIU/NIA and Chair of the NSC). It should be noted that this process and quality checks, despite its length, has been generally

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<sup>6</sup> In the case of projects implemented by partner agencies, the TFM may undertake a capacity assessment/project appraisal mission or as appropriate a desk review.

<sup>7</sup> This reflects the number of TFM participants (from the Geneva as well as the regional offices in Bangkok, Dakar and Nairobi) in the workshops and conferences.

successful as Tier 1 project proposals have mostly gone through the approval process without objections. Tier 2 project proposals have encountered more comments from the EIF Board, as the application of the Tier 2 guidelines is still in the early phases and NIUs generally lack experience and successful models to assist them in meeting the requirements. Generally, there is a minimum of two exchanges of comments on project proposals between the ES/TFM and the LDC, with the majority requiring three or four exchanges, with each exchange taking between one to three months.

The ES and the TFM have developed a number of processes and tools to assess, appraise and monitor projects from the programme and fiduciary perspectives. Such processes and tools have been presented in previous reports and in other documents. They are regularly reviewed, adjusted, completed and fine-tuned as the programme as well as the TFM/ES knowledge and experience expand. For instance, before submission of a project to the EIF Board, the TFM team (both Geneva and field-based) meet for a Project Review Committee meeting to review project proposals according to the EIF guidelines from a fiduciary perspective. The TFM held 30 such meetings in 2011 for Tier 1 and Tier 2 projects alone.

In 2011, the ES and the TFM submitted to the EIF Board for its approval nine Tier 1 projects and four Tier 2 projects. In addition, the ES and the TFM submitted to the ED for her approval, based on her delegation of authority from the EIF Board, three DTIS and four DTIS Updates.

## **Reporting**

### **ES/TFM Reporting Status**

Reporting is one of the key fiduciary responsibilities of the ES and the TFM as per the EIF Accountability Framework. The reporting framework includes:

- Capacity Assessment Reports (Tier 1 and Tier 2), shared with the EIF Board;
- Start-up Facilitation Mission reports; and
- Supervision reports.

While the previous reporting period was characterized by a high number of Capacity Assessment Reports for Tier 1 projects as well as Start-up Facilitation Mission reports due to the high number of Tier 1 projects starting, 2011 saw a large increase in Supervision reports and continued Start-up Facilitation Mission reports.

This reporting on projects is complemented with other sets of periodical reports as submitted by the ES and the TFM to the EIF Board following the Compendium and its accountability requirements. The TFM started its financial reports to the EIF Board in mid-2009, following the receipt of a substantial number of Donor contributions. As of 31 December 2011, the TFM presented two annual certified reports to the EIF Board (for 2009 and for 2010) and seven quarterly financial reports (2010 – Quarters 1-4, 2011 – Quarters Q1-3<sup>8</sup>) and additional reports upon request. For the period 2010 to March 2011 narrative progress reports were prepared for the EIF board separately by the ES and the TFM. This report complies with the board request for joint narrative reporting from the ES and the TFM.

### **LDC Reporting Status**

Overall, the reporting process by the LDCs is in accordance with the reporting calendars and the ES/TFM reporting formats as agreed in the MOUs. LDCs must submit quarterly financial reports and semi-annual and annual narrative/technical reports to the TFM and the ES, in addition to final reports as applicable.

The quality of the financial reports is generally improving over time. Narrative reports have mostly been received in a timely manner. Generally, for both financial and narrative reports, some back and

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<sup>8</sup> The 2011 Quarter 4 financial report was prepared and will be submitted to the EIF Board in 2012.

forth of a few weeks between the country and the TFM is required for the finalization of the reports. Based on the reports, subsequent payments to LDCs are processed by the TFM when they were due upon approval and clearance of the relevant reports by the ES and the TFM.

<b>Status of Reporting – LDCs</b>				
<b>Report</b>	<b>Status</b>	<b>Number of Reports</b>		
		<b>2008-10</b>	<b>2011<sup>9</sup></b>	<b>Total</b>
Financial	Received	36	77	113
	Pending		3	3
<b>Total</b>		<b>36</b>	<b>80</b>	<b>116</b>
Narrative	Received	10	34	44
	Pending		3	3
<b>Total</b>		<b>10</b>	<b>37</b>	<b>47</b>

Two of the three pending financial reports are for pre-DTIS projects, with the other pending being for a Tier 1 project. The three pending narrative reports are also for pre-DTIS projects. All outstanding reports are being followed-up on.

Further details on project status in each LDC are provided Part two below.

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<sup>9</sup> 2011 refers to Quarters 1-3, as Quarter 4 will only be due in 2012.

## C. PROJECT PORTFOLIO AND IMPLEMENTATION

The EIF portfolio is currently composed of a majority of Tier 1 projects<sup>10</sup> and amounts to US\$35.1 million, including US\$16.1 million for the current reporting period. Since 2008, the EIF Board has approved 68 projects – 64 Tier 1 projects (7 pre-DTIS, 6 DTIS and 29 NIU support projects, of which 22 include DTIS Updates benefiting a total of 34 LDC), 3 ITA support activities and 1 Tier 2 project.

An analysis of the projects leads to the following conclusions:

- Out of a total of 48 EIF LDCs, 34 countries have approved EIF projects, approximately 71 per cent;
- The majority of projects are implemented by government entities directly, with the exception of the DTIS and DTIS Updates and one Tier 1 project; and
- The project portfolio covers 23 countries in Africa, 9 in Asia/Pacific, 1 in the Caribbean and 1 in the Middle East.

The disbursement process started according to diverse payment calendars as agreed with the MIEs in the corresponding legal agreements, mostly over a three-year period for NIU support.

### Tier 1 Projects

#### **SNAPSHOT: National ownership**

The EIF institutional foundations established to enhance and equip the poorest countries to trade are being driven at high political levels. In Madagascar, for example, the EIF Focal Point (FP) position is being held at Ministerial level, while in Cambodia, Lao PDR, Liberia and Yemen, the FPs are at Vice-Minister level. In The Gambia, the AfT Coordination Committee meets at ministerial level and is enabled through the EIF framework to discuss ways to address national priorities for economic development. As a sign of high political commitment to the trade and development agenda, the President of Liberia was featured in the EIF Film "Trade Works: Boosting livelihoods, building futures" to create awareness about the EIF Programme and the use of trade as a poverty reduction tool. Other high-level political engagements include the Vice-President of Yemen participating in an EIF Ministerial Lunch together with the Prime Ministers of Lesotho and Vanuatu at the Fourth United Nations Conference on Least Developed Countries (UN LDC-IV) in Istanbul. The private sector, civil society, women groups, cooperatives, academia, media and the youth are equally engaged in the EIF Programme at country level through their representation on the National Steering Committees (NSCs).

In Uganda, 25 districts are being networked as part of the DICOSS Tier 2 project (approved in 2011), to provide decentralized business services to rural clients, including farmers, producers, businessmen, cooperatives and SMEs. The Government has shown a strong commitment to sustain this agenda by supporting an additional 15 districts and is set to increase its annual support to new districts in order to provide the majority of the population at grassroots level with market information, linking the farmers to producers and the producers to the market.

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<sup>10</sup> As of 31 December 2011, only one Tier 2 project (Uganda DICOSS project, for US\$2,998,119) was approved. Tier 2 projects are examined in more detail in Section 5.

### **Multi-year 'Support to NIAs' proposals**

**Pre-DTIS Projects:** The three on-going pre-DTIS projects for Afghanistan, Bangladesh and Haiti were in implementation in 2011.

**DTIS:** DTISs for Bangladesh, Bhutan and Haiti were approved during the reporting period.

**DTIS Updates:** The ES is currently providing advice to a number of countries that had as part of the Tier 1 projects included DTIS Updates. By the end of the reporting period, DTIS Updates had been approved for Burundi, The Gambia, Lao PDR, Lesotho and Uganda. Multi-year 'Support to NIAs' proposals for Benin, Cape Verde, Chad, Djibouti, Democratic Republic of the Congo, Guinea, Niger, Senegal and Togo were submitted to and approved by the EIF Board over the reporting period, bringing the total number of approved multi-year Tier 1 projects to 29.

#### **SNAPSHOT: Outcome 1: Institutional set-up**

The EIF and wider assistance has helped build the capacity of the Ministry of Commerce in Cambodia to manage Aid for Trade (AfT), including with the creation of a Department of International Cooperation (DICO). DICO coordinates the Trade Sector Wide Approach (SWAp), which leveraged assistance of US\$16.5 million. There is strong political leadership from the Senior Minister, Minister of Commerce and FP at Vice-Minister level. Trade has now been brought to the forefront in dialogues including the Government-Private Sector Forum chaired by the Prime Minister.

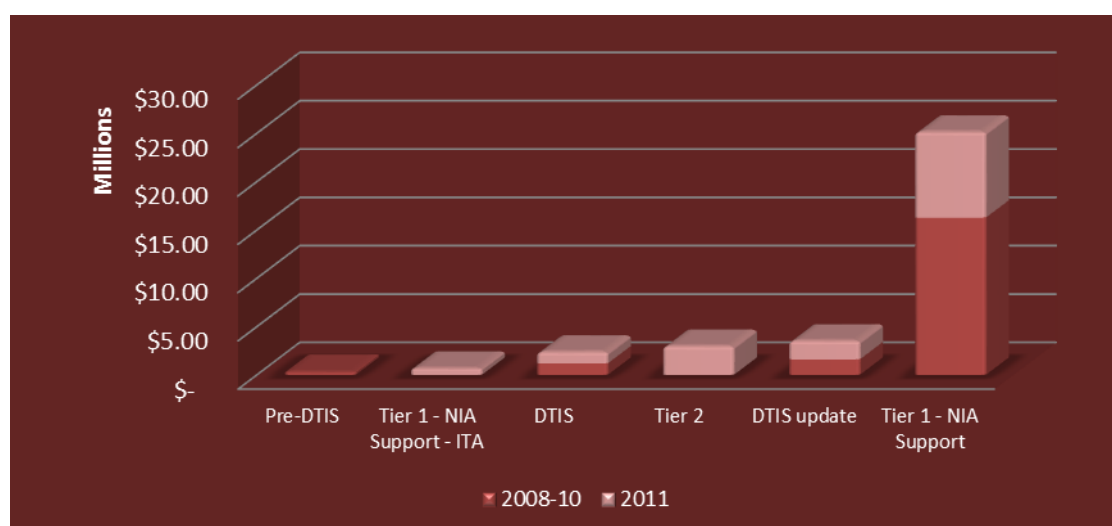
Tier 1 projects are under way in most of the countries with the exception of Cape Verde, Guinea, Senegal and Togo, where the projects were approved at the end of the reporting period, as well as in Malawi, where a Cabinet decision has made it necessary that the project be restructured. This last project was subsequently revised and approved by the EIF Board in June 2011. Projects in Chad, Democratic Republic of the Congo and Djibouti were also pending the recruitment of their respective ITAs. The other countries are at various stages of implementation, and results have been achieved in the areas of setting up NIAs, mainstreaming trade, implementing the DTIS Action Matrices and donor coordination; these are described in the country-specific reports of this document.

Furthermore, the ES has also been advising an additional ten countries preparing their multi-year Tier 1 projects for submission to the EIF Board. These are Bhutan, Ethiopia, Haiti, Madagascar, Mozambique, Samoa, Tanzania, Timor-Leste, Tuvalu and Vanuatu.

The breakdown of allocated funds between the different categories of Tier 1 projects (NIU support, DTIS, DTIS Updates and pre-DTIS) and Tier 2 and between the previous and current reporting periods is as follows:



## EIF Projects at a Glance (in US\$), as of 31 December 2011



The EIF project portfolio breakdown by MIE, detailed in Annex 4, shows that the majority of EIF projects are implemented by LDCs (53), with 15 implemented by agencies (the World Bank, UNDP, ITC, UNCTAD, UNOPS (exceptionally for ITAs for Chad and Djibouti) and USAID), mainly for DTIS/DTIS Updates.

### SNAPSHOT: Project implementation

Results achieved by the EIF process in Nepal since the inception launch of the 'Support to NIAs' project have been focused on donor coordination and the Nepal Trade Integration Study (NTIS) implementation. Germany, Nepal's Donor Facilitator (DF), is committing significant human and financial resources intended for capacity-building measures for the EIF structures in Nepal. With respect to donor coordination, Germany is working with the FP and the NIU to increase the visibility of donor coordination and harmonization of the trade agenda, and to drive forward the SWAp with the ultimate aim to show results on projects at the programme/sector level. With respect to NTIS implementation, the EIF secured funding from Germany to assist with WTO commitments, capacity building for the private sector and the NIU. Other donors who have indicated their commitment to support NTIS implementation include DFID (tourism and agro-production); Finland; STDF (capacity building); ITC (possibly with the support of the EIF Trust Fund through an EIF Trust Fund-funded project with focus on the pashmina and tea sectors); ADB (trade facilitation and possibly services); the World Bank (regional trade facilitation and possibly other areas from NTIS); and USAID (project supporting the Nepalese Economy, Agriculture and Trade (NEAT)). The Government of Nepal made available 30 million Nepalese rupees and has pledged an additional 50 million Nepalese rupees in 2011/12 to implement NTIS priority actions, in particular with a focus on "quick wins".

With support from the EIF to boost trade, the Ministry of Commerce and Industry in Liberia has automated its national Business Registry and reduced the time it takes to register a business – reforms have helped boost Liberia's ranking in the World Bank's Doing Business Survey from 167 in 2008 to 149 in 2010, and now currently standing at 151. Reducing red tape and shortening time and cost for port and customs clearance has led to a projected increase of revenue by 6 per cent and a US\$1 million increase on a monthly basis. Processing time is now down from 8-10 days to 3-5 days.

Under the EIF/IF enabled institutional structures in Rwanda, technical assistance has been provided to the former OCIR-CAFÉ to establish the Rwanda Coffee Marketing Alliance to facilitate farmers to sell their coffee on international markets. A project on the coffee sector was also developed and implemented aiming to connect 8 coffee washing stations in Rubavu District through the construction of a 25 km road.

Following on from a successful IF project in the Central African Republic which achieved good results in the sesame sector with the increase in production of up to 1,500 tons of sesame and the establishment of local enterprises (HUSACA) for processing oil. This was partly achieved through access to proper tools, including technology and the facilitation of seller-buyer meetings, which generated contracts for 22 million CFA francs in 2008 (approx. US\$0.45 million). Building on these results, the Tier 2 project on reinforcing supply capacity of agricultural products focuses on adding value and improving the varieties of sesame, corn, palm seeds and plants in order to generate more revenues for the rural population.

### EIF Tier 1 Projects in the Pipeline as of 31 December 2011

A number of LDCs have already submitted to the ES and the TFM draft Tier 1 projects for first reading and appraisal as detailed in the table below. Some of these proposals *may* be approved in 2012 depending on various factors, internal as well as external to the EIF process (progress of the proposals, situation in the country and decisions of the EIF Board).<sup>11</sup>

EIF Tier 1 Projects in the Pipeline			
Country	Type of Project	Estimated Budget (US\$)	Estimated Approval Date
Central African Republic	DTIS Update	100,000*	2012 – Q1
Chad	DTIS Update	100,000*	2012 – Q2
Ethiopia	Tier 1 + DTIS Update	1,100,000	TBD
Haiti	Tier 1	900,000	2012 – Q4
Madagascar	Tier 1 + DTIS Update	1,100,000	TBD
Mozambique	Tier 1	900,000	2011 – Q2
Samoa	Tier 1 + DTIS Update	1,100,000	2012 – Q3
São Tomé and Príncipe	Tier 1	900,000	2012- Q4
São Tomé and Príncipe	DTIS Update	200,000	2012 – Q2
Senegal	DTIS Update	0*	2012 – Q3
Solomon Islands	Tier 1 (Phase 2)	600,000	2012 – Q3
Sierra Leone	DTIS Update	100,000*	2012 – Q2
Sudan	Tier 1	900,000	TBD
Tanzania	Tier 1 + DTIS Update	1,100,000	2012 – Q4
Timor-Leste	Tier 1	900,000	2012 – Q4
Tuvalu	Tier 1 + DTIS Update	1,100,000	2012 – Q4
Vanuatu	Tier 1 + DTIS Update	1,100,000	2012 – Q4
Zambia	DTIS Update	400,000	2012 – Q3
<b>TOTAL</b>		<b>12,600,000</b>	

\* These DTIS Updates either already have US\$100,000 allocated in their approved Tier 1 project, or in the case of Senegal, the full US\$200,000.

This table leads to the following conclusions:

- If all these Tier 1 projects are approved, this would mean that 9 new LDCs would become beneficiaries of EIF, bringing the number of beneficiaries from 34 in 2010 to 43 by the end of 2012 (i.e., 90 per cent of LDCs) with a total funding of US\$48.2 million;
- The estimate budget amounts to US\$13.1 million comprising 12 projects for NIU support and 12 DTIS Updates (as standalone projects or in conjunction with NIU support); and
- Twelve projects are located in Africa, five projects in Asia/Pacific and one in the Caribbean.

<sup>11</sup> The table above will be complemented by the ES/TFM Progress Report per country.

The examination of the list of projects already approved and this preliminary list of projects in the pipeline indicate that, by the end of 2012, some 43 LDCs could be benefiting from EIF funding for Tier 1 projects amounting to over US\$48.2 million.

### **EIF Tier 2 Projects Portfolio**

On 15 March 2010, the EIF Board approved the guidelines for the formulation of Tier 2 projects. In July 2010, the ES and the TFM carried out a survey on the demand by the LDCs for Tier 2 funding. On 31 August 2011, the first EIF Tier 2 project was approved – Uganda's DICOSS project, for US\$2,998,119. Three (3) other Tier 2 projects were submitted to the EIF Board for approval in 2011 – The Gambia sector competitiveness project (ITC implementation), the Mali gum arabic sector project (Government implementation) and the Sierra Leone tourism sector project (Government implementation).

Throughout 2011, the ES and the TFM have reviewed and analyzed during their regular coordination meetings potential Tier 2 projects per country. *In summary*, 24 draft Tier 2 project proposals were received from ten countries (Burundi, Central African Republic, The Gambia, Liberia, Mali, Nepal, Niger, Sierra Leone, Uganda and Yemen). The ES and the TFM provided feedback and support towards finalizing the project proposals, of which one project has so far been approved by the EIF Board (the Uganda DICOSS project).

#### **SNAPSHOT: Reducing poverty through trade**

The proposed Tier 2 project in Burundi on improving capacities for Sanitary and Phytosanitary (SPS) measures in priority sectors such as coffee and maracuja will serve to build institutional capacity to strengthen compliance with SPS standards and to build the capacity of the private sector (100 pilot medium and small enterprises) to increase exports as well as revenue and salaries.

The Gambia's proposed Tier 2 project supporting the agri-sector in cashew nuts, groundnuts and sesame is projected to increase sales by 3 per cent based around new export opportunities, product diversification, improved value addition, quality enhancement and strengthened sector support institutions. This will in turn contribute to increasing the revenues of farmers, producers and exporters of the agricultural products.

Burkina Faso's proposed Tier 2 project on enhancing the productive and commercial capacities of the sesame sector has a strong focus on private sector collaboration. It seeks to contribute to the growth of the sesame export revenues and improve the incomes of rural farmers, producers and entrepreneurs all involved in the sesame value chain. A significant increase in quality sesame production is projected through the strengthening of existing processing units, improvements in technical and technological capacities as well as the facilitation to access finance through the establishment of innovative financing mechanisms adapted to all levels of the sesame value chain.

Below is the Tier 2 project portfolio, with the approved and submitted projects, as well as the project pipeline, which were being developed for EIF funding early 2012.

Tier 2 Project Portfolio				
Country	Type of Tier2 Project	Implementing Entity	Budget US\$	Status
Uganda	DICOSS	Government	2,998,119	Approved by the EIF Board on 31 August 2011
The Gambia	Sector competitiveness (Cashew, ground nuts, sesame)	ITC	2,355,517	Submitted for EIF Board approval
Mali	Gum arabic sector	Government	3,000,000	Submitted for EIF Board approval
Sierra Leone	Tourism sector	Government	2,990,000	Submitted for EIF Board approval
Burkina Faso	Sesame	Government		Draft proposal submitted to ES/TFM
Burundi	SPS	UNIDO	3,000,000	Draft proposal submitted to ES/TFM
	Request for the Technical Assistance Consulting	Government		Draft proposal submitted to ES/TFM
	Support for sustainable tourism development	Government/ UNCTAD	3,500,000	Draft proposal submitted to ES/TFM
Cambodia	Cambodia Export Diversification and Expansion Program (CEDEP I)	Government/ ITC/IFC	2,216,903	Draft proposal submitted to ES/TFM
Central African Republic	Capacity Enhancement of Agricultural Products Supply	Government	3,000,000	Draft proposal submitted to ES/TFM
Cape Verde		UNIDO		Under preparation
The Gambia	Airport capacity building project	Government	1,700,000	Draft proposal submitted to ES/TFM
	Low cost energy provision	Government	1,800,000	Draft proposal submitted to ES/TFM
Liberia	Small holder capacity development	Government		Draft proposal submitted to ES/TFM
	Strengthening SPS Measures in Liberia	Government	2,994,700	Draft proposal submitted to ES/TFM
	Value addition centre	TBD		Draft proposal submitted to ES/TFM
Lesotho	Agro-trade development	Government/ ITC	400,000	Draft proposal submitted to ES/TFM
	Livestock sector	Government	1,400,000	Draft proposal submitted to ES/TFM
	Tourism development	Government	400,000	Draft proposal submitted to ES/TFM
Maldives	Trade facilitation institutions strengthening	Government	1,000,000	Draft proposal submitted to ES/TFM
	Tourism value chain	Government	3,000,000	Draft proposal submitted to ES/TFM
Nepal	Ginger sector (co-funding with STDF)	FAO	700,000	Draft proposal submitted to ES/TFM
Sierra Leone	Support to SMEs	Government		Draft proposal submitted to ES/TFM
Uganda	Strengthening tourism sector	Government	1,500,000	Draft proposal submitted to ES/TFM
Yemen	Honey sector	ICIPE	2,000,000	Draft proposal submitted to ES/TFM

## D. 2011 FIDUCIARY ASPECTS

### Legal Framework

The establishment of a suitable legal partnership framework with all the EIF stakeholder groups has been one of the most critical objectives in the operational stages. The EIF stakeholder group is composed of LDC governments, Donor countries, EIF Core Agencies, UNIDO and other implementing partners.

In 2011, most notably, the World Bank Subsidiary Trust Fund was approved and established. In addition, the partnership agreements with the Core and Partner agencies were operationalized through implementation letters for approved EIF projects. Finally, the legal agreements with LDCs were revised and updated in 2011, in English and in French.

The TFM legal platform described in Annex 2 has been built in compliance with the Compendium in its initial and revised form, and in consultation with all the parties concerned and the EIF Board. For 2012, possible collaboration with new implementing partners is envisaged, such as IFC and the FAO (once the Nepal Tier 2 project is approved by the EIF Board).

### Financial and Fiduciary Management

The tables below present the EIF financial situation as of 31 December 2011, taking into consideration contributions received, allocated funds, disbursements and funding available.

#### (a) Donor Commitments and Contributions Received

The funding target for the multi-donor trust fund of the EIF Programme is US\$250 million over five years (up to 2013). Total funds committed through a signed legal agreement by EIF donors in the EIF Trust Fund represent close to 90 per cent of the total funding target. As of 31 December 2011, the EIF Trust Fund has received commitments totaling US\$224.8 million as per the detail below:

Donor Commitments			
Contributions	Reporting Period (in US\$, as of 31 December 2011)		
	2008-2010	2011	Grand Total
IF UNDP Holding Account <sup>12</sup>	7,870,346	-	7,870,346
IF UNDP Commingled Fund	23,501,360	6,957,122	30,458,483
Donor contributions	175,530,389	8,696,259	184,226,649
<b>Sub-total</b>	<b>206,902,095</b>	<b>15,653,381</b>	<b>222,555,477</b>
Interest earned	1,495,388	706,402 <sup>13</sup>	2,201,790
<b>Grand Total</b>	<b>208,397,484</b>	<b>16,359,784</b>	<b>224,757,267</b>

The donor contribution details are presented in Annex 3, including donor commitments and funds received as of 31 December 2011, for a total of US\$224.8 million committed and US\$156.6 million received.

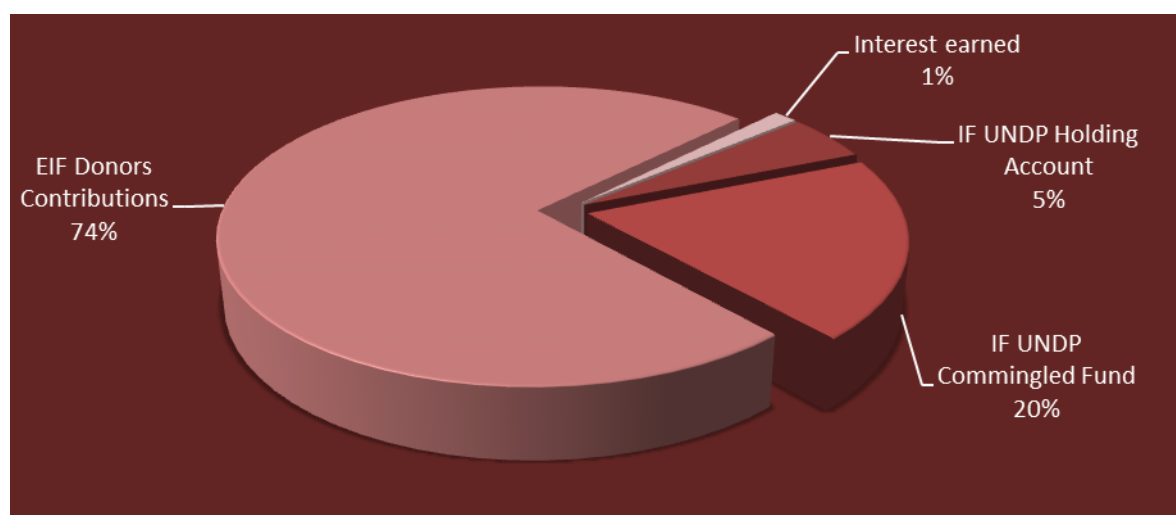
<sup>12</sup> The UNDP Commingled Funds refers to the IF funds, already received by UNDP for the IF programme, which remained at the end of the IF programme and were subsequently transferred to the EIF once UNOPS as new Trust Fund Manager was in place. The UNDP Holding Account refers to "new" funds which a few donors (Denmark, South Korea, Japan and Finland) wanted to contribute to the EIF in the interim period between the old IF and the EIF, and the transition period between UNDP and UNOPS as Trust Fund Manager. In that interim period, UNDP kept on separate accounts contributions to the EIF received from donors before the new TFM was operational. Funds were transferred in 2008, and are detailed in the TFM financial reports.

<sup>13</sup> The 2011 interest was not included in the TFM 2011 Q4 financial report as it had not yet been calculated by UNOPS.

Total funds deposited in the EIF Trust Fund represent over 63 per cent of the total funding target of US\$250 million. As of 31 December 2011, the Trust Fund has received contributions and accrued interest totaling US\$156.6 million as per the detail below:

Contribution Receipts			
Contributions	Reporting Period (in US\$, as of 31 December 2011)		
	2008-2010	2011	Grand Total
IF UNDP Holding Account	7,870,346	-	7,870,346
IF UNDP Commingled Fund	23,501,360	6,957,122	30,458,483
Donor contributions	88,855,250	27,239,709	116,094,958
<b>Sub-total</b>	<b>120,226,956</b>	<b>34,196,831</b>	<b>154,423,787</b>
Interest earned	1,495,388	706,402	2,201,790
<b>Grand Total</b>	<b>121,722,344</b>	<b>34,903,233</b>	<b>156,625,577</b>

#### Contribution Receipts as of 31 December 2011



#### (b) Allocations<sup>14</sup> for EIF Activities

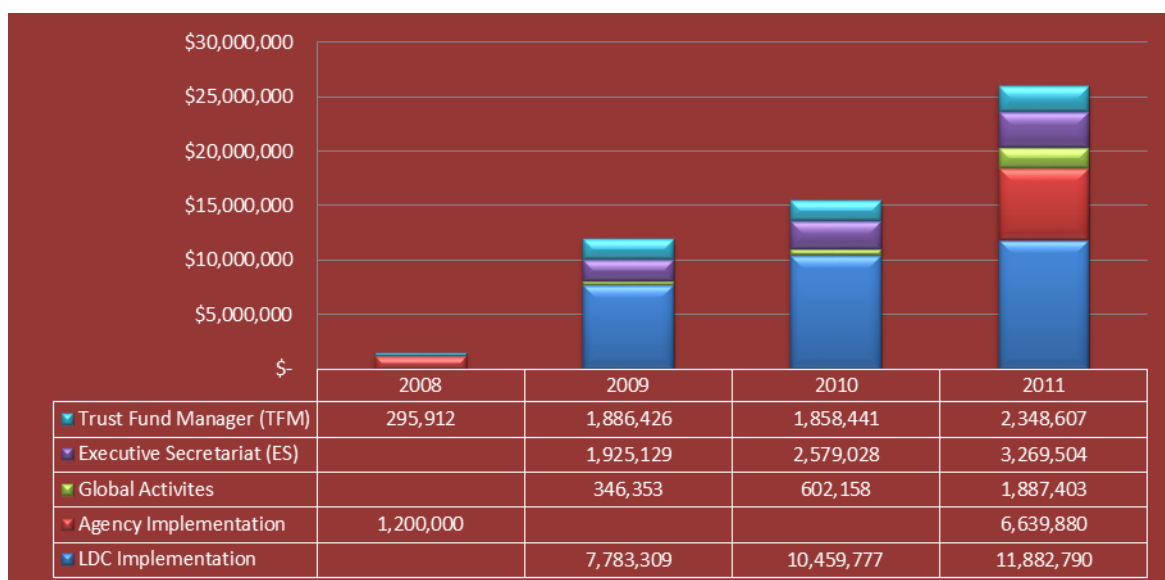
In 2011, allocations for EIF activities totaled over US\$26.2 million, for a grand total of almost US\$55.4 million.

The 2011 allocations for EIF activities in LDCs consist mainly of Tier 1 projects (totaling almost US\$9 million), and one Tier 2 project (almost US\$3 million). The total LDC implementation allocation is over US\$30 million, representing approximately 55 per cent of allocations. LDC implementation has continued at a steady pace with a strong demand from LDCs for NIA support, with the level of allocations increasing by 168 per cent in 2011 since 2010.

Agency implementation has been facilitated through new agreements with the World Bank and UNDP, particularly for DTIS and DTIS Updates and, in one case, for a Tier 1 'Support to NIAs' project. Agency implementation totaled US\$6.6 million in 2011, with a grand total of almost US\$8 million.

<sup>14</sup> Allocations refers to EIF funds that have been committed by UNOPS for project implementation through a legal agreement. This refers to LDC and agency implementation of signed EIF activities, as well as the ES, TFM and global activities budgets (as approved by the EIF Board).

### Allocations for EIF Activities (in US\$), as of 31 December 2011



Allocations for EIF Activities				
Report Category	Project Type	Reporting Period (in US\$)		
		2008-10	2011	Total
LDC implementation	Pre-DTIS	350,000		350,000
	DTIS Update	1,614,400	900,000	2,514,400
	Tier 1 – 'Support to NIAs'	16,278,686	7,984,671	24,263,357
	Tier 2		2,998,119	2,998,119
<b>LDC Implementation Total</b>		<b>18,243,086</b>	<b>11,882,790</b>	<b>30,125,876</b>
Agency implementation	DTIS	1,200,000	1,200,000	2,400,000
	DTIS Update	-	1,032,950	1,032,950
	Tier 1 – 'Support to NIAs'	-	900,000	900,000
	Tier 1 – 'Support to NIAs' - ITA	-	706,930	706,930
	WB Subsidiary Trust Fund (unallocated)*	-	2,800,000	2,800,000
<b>Agency implementation Total</b>		<b>1,200,000</b>	<b>6,639,880</b>	<b>7,839,880</b>
ES	EIF – ES	4,504,157	3,269,504	7,773,661
<b>ES Total</b>		<b>4,504,157</b>	<b>3,269,504</b>	<b>7,773,661</b>
TFM	EIF - TFM	4,040,780	2,348,607	6,389,386
<b>TFM Total</b>		<b>4,040,780</b>	<b>2,348,607</b>	<b>6,389,386</b>
Global Activities	Consultants	371,868	245,309	617,177
	Database	61,331	47,680	109,011
	M&E	242,768	14,105	256,873
	EIF Board travels	49,665	185,422	235,087
	Capacity building	-	320,000	320,000
	Capacity needs assessment	-	1,000,000	1,000,000
	Workshops	222,879	74,888	297,767
<b>Global activities Total</b>		<b>948,511</b>	<b>1,887,403</b>	<b>2,835,915</b>
<b>TFM management fee</b>		<b>217,024</b>	<b>195,211</b>	<b>412,235</b>
<b>GRAND TOTAL ALLOCATIONS</b>		<b>29,153,557</b>	<b>26,223,396</b>	<b>55,376,954</b>

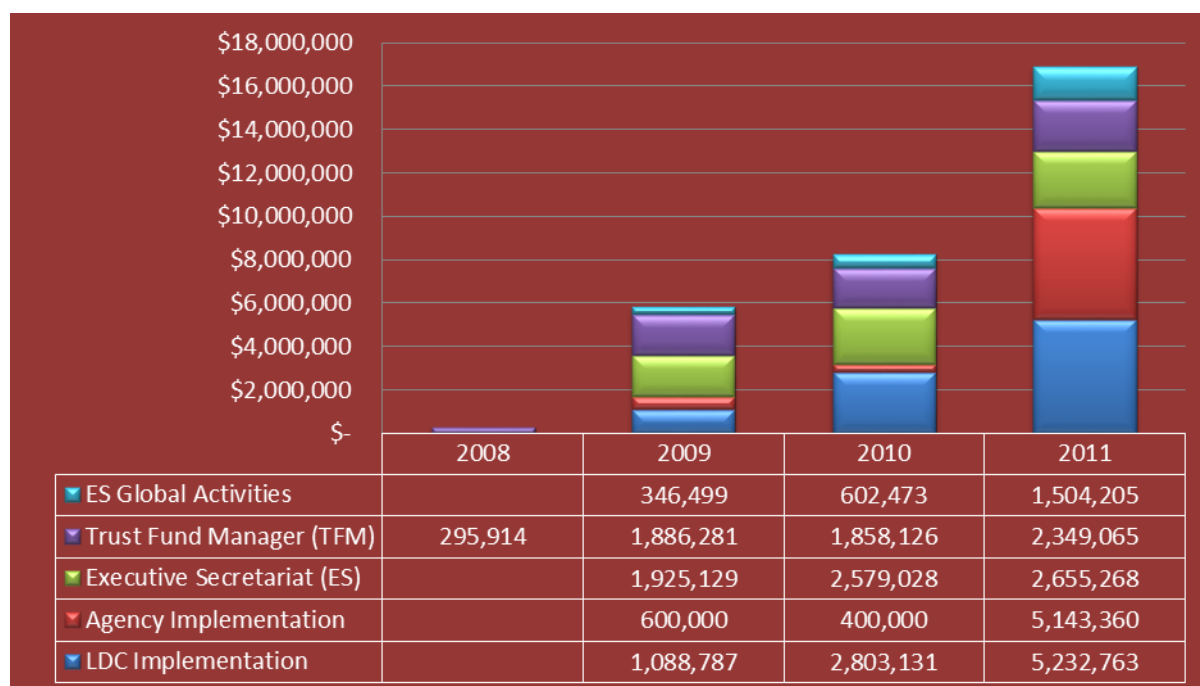
\*In 2011, upon the request of the ES, the TFM transferred US\$3 million to replenish the World Bank Subsidiary Trust Fund for the EIF. As of 31 December 2011, US\$2.8 million remain unallocated.

**(c) Disbursements**

Based on the allocations detailed above, the TFM undertook disbursements as agreed in the respective legal agreements and payment calendars, for a total of US\$17 million in 2011, an increase of 205 per cent in 2011 compared to 2010, for a grand total of US\$31.5 million. Total disbursements represent almost 57 per cent of total allocations, with close to 30 per cent of funds allocated to LDCs and 12.6 per cent of the total EIF funding target of US\$250 million.

Disbursements (in US\$)			
Description	2008-10	2011	Grand Total
LDC implementation	3,891,917	5,232,763	9,124,681
Agency implementation	1,000,000	5,143,360	6,143,360
ES	4,504,157	2,655,268	7,159,425
TFM	4,040,321	2,349,065	6,389,386
ES global activities	948,972	1,504,205	2,453,177
TFM management fee (0.75 per cent)	107,890	126,635	234,525
<b>Grand Total</b>	<b>14,493,258</b>	<b>17,011,296</b>	<b>31,504,554</b>

**EIF Disbursements (in US\$), as of 31 December 2011**



**(d) Available Funds and Funding Target**

Prospects for 2012 and beyond are positive since, as of 31 December 2011, the EIF Trust Fund had approximately US\$104.07 million available for the allocation to EIF Tier 1 and Tier 2 project activities. This is the difference between funds received including accrued interest (Table 4) minus the funds already allocated (excluding WB Subsidiary Trust Fund unallocated funds) to EIF activities through signed agreements (Table 5).

While such prospects are good news, there is still a funding gap of US\$25.2 million to reach the US\$250 million targets. A timely resource mobilization strategy will have to be put in place in order to reach the target.



## EIF Funds Available for Allocation (in US\$), as of 31 December 2011



### Auditing Practices

All the MIEs for EIF projects, whether government entities or others, are also due to submit annual audited account as stated in the respective agreements signed with UNOPS. Internal audit systems have been activated in all the LDCs implementing Tier 1 projects, and internal or external audit reports are being undertaken after one full year of project implementation as contemplated in the respective MOUs and project budgets. In 2012, the TFM will prepare audit guidelines to assist the NIUs in this task.

As seen in the table below, all required audits reports have been received, and no concerns have been noted. No audit reports were due until 2011 (for the 2010 reporting period, and in some cases, a few months of 2009 implementation) as the first EIF project only started in late 2009.

Status of Audit Reports				
Report	Status	Number of Reports		
		2008-10	2011*	Total
Audit	Received	-	8	8
	Pending	-	-	-
<b>Total</b>		-	8	8

\* 2011 audits are for the 2010 reporting period, and in some cases, a few months of 2009 implementation.

In addition, all the TFM financial and funding management activities are subject to periodical audit exercises following the EIF Accountability Framework and the UNOPS Audit Rules. An internal audit of the UNOPS Switzerland Operations Centre (UNOPS-SWOC) was undertaken in June/July 2011, including the TFM operations. The audit exercise was satisfactory, and only one recommendation was made of the TFM to establish a control mechanism to monitor that audit reports from LDCs are delivered in a timely manner.<sup>15</sup> A monitoring mechanism was put in place by the TFM, enabling the TFM team to check the status of the audits due and follow up with the concerned countries.

<sup>15</sup> The audit report states: "IAIG/1001/11 Develop guidelines for project audits and ensure that project audits are carried out for all projects and audit reports submitted within due dates."

## E. OTHER ONGOING EIF ACTIVITIES

### Database and Information System

The development of the ES/TFM Database has advanced. During the testing phase, various improvements were suggested to make the Database more user-friendly and enhance the presentation and reporting capacity. The work on the enhancement has been launched and by mid-2012, the system will be ready for use once the necessary adjustments are made to take into account the M&E information needs.

### EIF Regional Workshops – Learning and Experience-sharing

The series of Regional workshops started in 2010 was completed with the last workshop organized in February 2011. As with the others, this workshop was designed for EIF Country delegations, including the FPs, a representative from the DTIS lead ministry, the DF and members of the NIU (the latter two self-funded).<sup>16</sup> The particular focus of the workshop was on the key EIF priorities of trade mainstreaming, and DTIS Action Matrix implementation, including country ownership, fiduciary matters and support to develop



Tier 2 projects to overcome obstacles to trade, and work with donors to improve the effectiveness of AfT delivery. The series of workshops were hosted by the Governments of Nepal, Mali and Lesotho, respectively, and co-organized by the ES and the respective UNDP Country Offices. In many countries, participation at the Regional Workshops has served as a catalyst to advance or finalize EIF projects and to start implementation. This was the case for Burkina Faso, Burundi, Cape Verde, Central African Republic, Chad, Democratic Republic of the Congo, The Gambia, Guinea, Lesotho, Liberia, Maldives, Mali, Niger, Senegal, Sierra Leone, Togo, Tuvalu, Uganda and Yemen.

### Capacity-Building Modules

The ES in collaboration with EIF stakeholders and partners in 2011 continued to work on the development of specific capacity-building modules in some of the areas identified in the EIF capacity-building programme that includes but is not limited to the following:

- (i) Capacity building to enhance the NIAs' capacity to mainstream trade into the country development agendas;
- (ii) Capacity building to enhance the NIUs' capacity in project formulation and management;
- (iii) Capacity building to ensure a coherent donor response;
- (iv) Capacity building to enhance intergovernmental, as well as public and private sector coordination;
- (v) Capacity building to facilitate the establishment of long-term partnerships between NIUs and EIF Core Agencies and stakeholders;
- (vi) Capacity building for accountability and fiduciary responsibility under the EIF scheme;
- (vii) Capacity building to implement and manage the EIF M&E Framework; and
- (viii) Integration of the gender dimension in the EIF.

Three capacity-building modules focused on Project Identification and Formulation, Trade Mainstreaming and Trade and Gender have been initiated by the ES during the period under review.

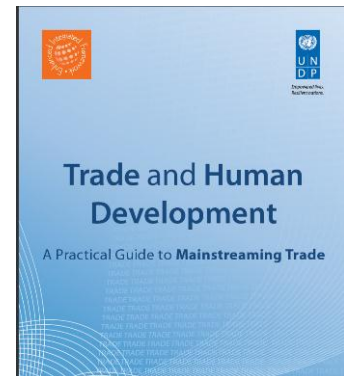
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<sup>16</sup> A regional workshop for the Pacific EIF Countries was held in Vanuatu in March 2010.

- Project Identification and Formulation:** The ES is partnering with STDF and the University of Wolverhampton to develop this module. A four-day training programme was developed, including presentations for the delivery of the training and a reference manual. The focus of the training is on providing hands-on support to (i) identify a priority project; (ii) formulate the goal and purpose of the project and the concrete outcomes or results that need to be achieved to reach the goal; and (iii) start to identify a set of activities that need to be undertaken in pursuit of the results. Three pilots were undertaken in Central African Republic, Nepal and Rwanda. The module is expected to be rolled out in 2012. The training was well received according to the evaluation by the participants and resource persons, and at least one Tier 2 project proposal has been received in the reporting period as a result of the training.



- Trade Mainstreaming:** A trade mainstreaming module has been developed in collaboration with UNDP, and a trade mainstreaming guide was launched during the July 2011 Third Global Review of Aid for Trade. The first pilot was also undertaken in Vanuatu in October 2011, and it is expected that two pilots will be held in the first quarter of 2012, with a view of fully implementing training in 2012. The focus of the training will be to provide hands-on, practical advice to EIF Countries on how to mainstream trade into the country's overall development strategy, sectoral strategies, inter-ministerial coordination, public-private sector consultation mechanisms and government-donor dialogues.



### SNAPSHOT: Trade mainstreaming

Under the EIF, Rwanda has worked to mainstream trade into its overall development strategy. The Economic Development and Poverty Reduction Strategy (EDPRS 2008-2012) has a wider trade coverage drawing from the DTIS reflected in pillar one, targeting growth, economy-wide improvements in productivity to create employment, generate exports and transform Rwanda's economy towards commercial agriculture, manufacturing and services.

Successful mainstreaming of the trade agenda through the EIF, has enabled Mali to raise funding from the Agence Française de Développement (€1.5 million for trade capacity building), from the Standards and Trade Development Facility (US\$518,000 for SPS capacity building in the vegetable and fruit sectors), and from UNDP (US\$125,000). The Government has provided its own share to back the trade programme, and, in 2011, the Medium-Term Expenditure Framework contained funding for trade priorities mainstreamed into the PRSP.

Through the Trade SWAp, Cambodia integrated trade policy into a broader development agenda. Supported by key donors and the Government, the Trade SWAp - a participatory prioritization and goals identification strategy – was instrumental for attracting AfT resources to sectors with high poverty reduction impacts, e.g., in the silk sector, 30 weaving groups were set up in 21 villages across 11 communities, 5 districts and 3 provinces. While exports in 2006 were approximately US\$4 million, by 2011, this had been projected to rise up to US\$25 million. The silk weavers' training one year on was shown to increase their monthly net income by 43 per cent from US\$26.95 to US\$38.42. In quantity, the weavers can now weave an average 3.092 meters per day, as opposed to 2.1 meter per day before.

- Gender and Trade:** With regard to the gender training module, the ES is partnering with ITC who has, over the reporting period, started to develop an outline for a three-day training session on gender and trade. Stakeholder consultations on a first draft of the outline were held in December 2010. The outline was subsequently revised to take into consideration the views of stakeholders, and another round of consultations was undertaken in February 2011.



The outline for the module was circulated to the EIF Board before its March 2011 meeting. Thereafter, the expert in charge of the module proceeded to developing the full module according to the outline. The first pilot took place in November 2011, and a demand-driven implementation is expected in 2012. The key objective in providing this training is to build a train-the-trainers pool as a way of contributing to the sustainability aspects. Going forward, this module will be consolidated with the trade mainstreaming modules in view of complementarities between the two.

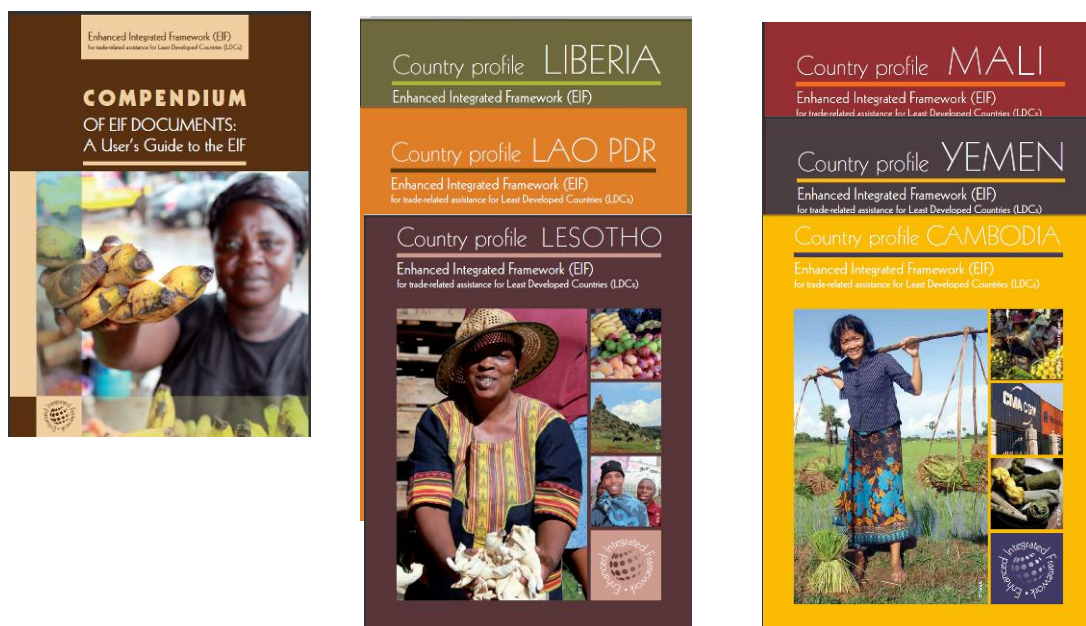
#### **SNAPSHOT: Gender in trade**

Rwanda benefitted from the EIF gender capacity building module implemented by ITC. In Rwanda, gender is now considered a key tool for development in the National Trade Policy. Priority is also given to gender as a cross cutting issue in National development strategies i.e. Vision 2020, EDPRS, Decentralization Policy and National Gender Policy to; i) Promote Gender Equality and empower women to initiate economic activities and participate in trade; and ii) Establish mechanism to remove all barriers that constraint women's access to and control over productive resources.

Nepal's proposed Tier 2 project on ginger with project beneficiaries mainly poor women-headed households looks at promoting the public-private sector collaboration to improve the quality of, and add value to, ginger exports, e.g., in the washing and processing facilities that have been identified as a critical need in the NTIS.

The proposed Yemen beekeeping and honey productivity project seeks to provide training to 3,000 farmers and to provide 15,000 hives to support the rural poor, a third of the community being women, which will boost sales by up to 25 per cent and increase incomes by 20 per cent.

## Outreach



In 2011, EIF outreach activities with the support of EIF partners helped build the understanding of links between trade and development, build up the programme's profile and dissemination of information through outreach, press and publicity.

2011 activities include: the revamped EIF website at [www.enhancedif.org](http://www.enhancedif.org) being made available in English, French and Portuguese; dissemination of brochures and flyers; a series of six EIF country profiles on results achieved; the EIF film "Trade works: Boosting livelihoods, building futures" with a series of country examples; an EIF photo gallery and LDC trade exhibition; EIF presence and statements at national, regional and international fora, including print and TV exposure. At the international level, the EIF organized a high-level side event with the WTO and ran an EIF Ministerial Breakfast at the UN LDC-IV in May 2011 and organized working sessions for EIF partners at the Third Global Review of Aid for Trade in July 2011 and participation at the WTO MC8 in December 2011. The EIF film "Trade works: Boosting livelihoods, building futures" was premiered at UN LDC-IV (short version) and the Third Global Review of Aid for Trade (long version).



Communications support and technical input into national communications (through EIF regional workshop presentations, clinics and individual follow-up), e.g., on development of national communication strategies to support programme delivery, website development, support for roll-out of communications plans and guidelines to countries, was undertaken. A number of EIF Countries now have active outreach programmes focused on trade mainstreaming and better Aft coordination.

Going forward, EIF outreach activity will continue to focus on disseminating good practice, showcasing country results and prioritizing support to EIF Countries, where demanded, to roll out national communications activities that best support the delivery of the programme. Upcoming priorities in 2012 include the EIF "Trading Stories" project to profile results in a range of EIF Countries, an EIF presence at UNCTAD XIII in Doha, Qatar, in April 2012, good practice guides for national partners and online tools and outreach support to build broad-based buy-in from national stakeholders.

### **SNAPSHOT: Environment – a sustainable trading future**

Taking important strides in addressing national trading challenges in a way that protects the environment has been identified among key national priorities. In Mali, the proposed Tier 2 project on gum arabic based around increasing production and improved quality and value chain promotion through public private-partnerships will contribute to the increase of revenues of producers, collectors and exporters of gum arabic. This will be centred in five regions to cover 10,000 hectares of land to be planted with acacia trees with a focus on reducing poverty and addressing environmental degradation and sustainable land management.

Likewise, Zambia has made critical partnerships with the Forestry Department and Forestry College under the Ministry of Tourism, Environment and Natural Resources, looking at investing in eco-friendly solutions that would build their ability to trade and at the same time protecting the environment. Zambia's proposed Tier 2 project on honey and bee-keeping has a keen focus on managing the forest environment and creating awareness about the importance of forests.

Building on earlier results in tourism, Sierra Leone has taken bold steps to rebrand the country's image and address environmental degradation through joint efforts with partners geared to an eco-tourism model. Developing five eco-tourism sites, while protecting and preserving natural flora and fauna, the proposed Tier 2 project on sustainable tourism development and promotion looks at adding value to tourist sites in rural areas through research, training and innovations. An eco-tourism community benefitting model that respects the environment has been set up to spread out the benefits from the tourist sites to the five local communities.

## F. STRATEGIC PARTNERSHIPS AND COLLABORATION

### *New Beneficiaries of the EIF*

The Transitional Federal Government of the Somali Republic made a request to become an EIF beneficiary, and after having duly taken into consideration the Technical Review undertaken in 2011, the EIF Board declined the application.

### *New Donors to the EIF*

Australia became a Donor to the EIF Trust Fund with an initial contribution of Australian US\$2.1 million and a total pledge of US\$5.2 million. This brings the total number of EIF Donors to 23.

The ES, in 2011, worked on further consolidating the strategic partnerships with EIF core Agencies and other partners with particular emphasis on a comprehensive approach rather than stand-alone interventions.

#### **SNAPSHOT: Aft coordination**

Donors have come together to support Lao PDR's SWAp through the scaling-up of funds channeled through the World Bank-managed Trade Development Facility (TDF), set up with contributions from AusAid, the European Union and Germany, totaling US\$7.6 million. The TDF builds on the EIF framework to put in place activities that facilitate trade, increase cross-border movement of goods and boost regional and global economic integration.

### **EIF Partner Agencies**



The EIF continues to focus on deepening and expanding the partnership principles of the EIF process, moving towards broader demand driven processes guided through Medium-term planning. In addition to strengthening the relationship with core agencies the EIF has strengthened partnerships with additional organisations with a view to proximity and sustainability.

### **ITC**

With ITC, the ES collaborated on issues relating to trade and gender; and on a number of Tier 2 projects. It is expected that in 2012, this collaboration will expand to include other areas.

## **UNCTAD**

In 2011, UNCTAD's EIF support focused on the preparation for UNCTAD XIII to be held in Doha, Qatar, where the two partners are expected to hold a joint high-level event.

## **UNDP**

In 2011, the EIF's partnership with UNDP continued to grow through the support provided to Tier 1 development, in particular to Pacific EIF Countries. UNDP continued its support to Comoros as the MIE and DTIS work in Bhutan and trade mainstreaming as highlighted in earlier paragraphs. In 2012, UNDP will be working with Comoros to develop a medium-term plan and support the country in the preparation of a Round Table on the margins of a major event to be identified later.

## **UNIDO**

The ES/TFM in April 2011 met with the UNIDO trade team in Vienna, Austria, to deepen coordination and to coordinate support efforts in Tier 2 development based on the formal demand by LDCs. The coordination provided an opportunity to exchange information and prioritize the EIF activities based on the status of the projects developed. Furthermore, it was agreed that UNIDO and the EIF would utilize each other's capacity-building events to sensitize LDCs to related activities and support provided. A review of the implementation and programme for 2012 will be undertaken during a coordination meeting to be held at the beginning of 2012.

## **World Bank**

The ES collaborated with the World Bank on a number of DTISs and DTIS Updates for which the EIF Countries have chosen the World Bank as MIE. The DTIS for Afghanistan was not completed as planned during this period; however, it is expected that 2012 will result in the finalization of DTISs for Afghanistan, Haiti and Bangladesh. DTIS Updates are expected to be undertaken for a number of countries whose details are provided in the summary on implementation of EIF projects.

## **WTO**

Over the reporting period, EIF and WTO collaboration focused on trade policy review support on the AfT chapters for EIF Countries and assistance to EIF acceding countries.

STDF continued to closely collaborate with the EIF in project development, which has also included providing comments on proposals relating to their expertise.

The EIF also utilized the WTO's main events to host sideline events. In conjunction with the WTO, an EIF Ministerial Breakfast was held during the Eighth Session of the WTO Ministerial Conference in December 2011. Two EIF side events were held during the WTO Third Global Review of Aid for Trade in July 2011.

## **IMF**

The collaboration between the EIF and the IMF has been limited to the fund providing comments on DTIS-related work. The IMF remained inactive in the EIF Board participation for the whole of 2011.

## **Other Partners**

- **TradeMark Southern Africa (TMSA)** (a DFID-funded programme with the purpose of improving Southern Africa's trade performance and competitiveness for the benefit of the poor), in 2011 continued to support the ES to address capacity constraints in LDCs with respect to project identification and formulation. In 2011, TMSA provided project



development support to Lesotho. 2012 will focus on identifying complementarities in priority focus areas of EIF Countries covered by the programme.

- With the **CEB Inter-Agency Cluster on Trade and Productive Capacity** (an interagency mechanism dedicated to the coordination of trade and development operations at the national and regional levels within the UN system), the ES is collaborating for EIF programmes in Bhutan and Haiti. In Lao PDR, a CEB project is aligned with the EIF and other trade programmes through the NIU and a common steering committee.
- For the **Global Mechanism**, the ES contributed with draft chapters on the EIF and AfT in their Manual on Trade Finance for Sustainable Land Management.

In respect of the Agencies' reporting status as MIEs, the World Bank is currently the only agency whose projects have reports due in the reporting period. Of the three EFOs approved by the EIF Board in 2008 to undertake DTISs, the final DTIS reports for Togo and Democratic Republic of the Congo have been received and the one for Afghanistan – due to the specific context – is still in progress.

Status of Reporting – Agencies				
Report	Status	Number of Reports		
		2008-10	2011	Total
Financial	Received	6	9	15
	Pending	-	-	-
<b>Total</b>		<b>7</b>	<b>9</b>	<b>15</b>
Narrative	Received	2	-	2
	Pending	-	-	-
<b>Total</b>		<b>2</b>	<b>-</b>	<b>2</b>

### SNAPSHOT: Partnership working

Working hand in hand with development partners through country-designated DFs, taking key leads on addressing identified national trade priorities, governments also work with the international agencies under the EIF framework. The close engagement from international agencies is reflected at different stages of the EIF Programme in a number of countries, e.g., the World Bank has been leading on DTISs in Afghanistan, Bangladesh and Haiti and on DTIS Updates in Burundi and Uganda, and planned for 2012 in Liberia, Malawi, São Tomé and Príncipe, Sierra Leone and Zambia. UNDP has been leading on DTISs in Bhutan and planned for 2012 DTIS Updates in Central African Republic, Chad and Yemen; UNCTAD on The Gambia's DTIS Update and, planned for 2012, Senegal's. UNDP has also been assisting Cape Verde, Kiribati, Tanzania, Tuvalu and Vanuatu in the development of Tier 1 institutional capacity-building projects, as well as supporting Comoros, Democratic Republic of the Congo and Mali in the implementation of their EIF Tier 1 projects. A number of Agencies assist with Tier 2 development on building supply-side capacity, namely UNIDO in Burundi and Djibouti; ITC in Cambodia, Comoros, The Gambia, Lesotho, Nepal and Uganda; and FAO and STDF in Nepal. The ES has also participated and assisted in the WTO-led Trade Policy Review exercises in Cambodia, Guinea-Bissau, Mauritania, Nepal and Togo in 2011 and is working on trade needs assessment to be undertaken with UNDP support.

Two LDCs – Samoa and Vanuatu have also been facilitated in their WTO accessions, enabling them to join the WTO in early 2012. Support to other countries including to Bhutan, Lao PDR and Liberia to join the WTO is also ongoing, to ensure that these LDCs are in a position to reap the benefits from the global trading system.

Through a partnership approach, Burundi's proposed Tier 2 project on trade capacity building in standards and SPS measures was developed (to be approved in 2012). The project was formulated with the cooperation and coordination of a wide range of stakeholders including public and private sector, development partners including Norway, USAID as DF, and UNIDO as the implementing partner. The proposed Tier 2 project will seek to ensure that goods (fruits, vegetables and coffee) produced and exchanged in Burundi meet the international market standards and would be fit for both the domestic and foreign markets.

## G. PROGRAMME-LEVEL RESULTS: WHAT IS HAPPENING IN THE FOUR OUTCOME AREAS

In August 2011, the EIF Board approved and adopted a programme-level M&E Framework for the EIF. The EIF Countries, with the support of the ES, have begun to collate reports and align country processes and plans with the new framework. Two workshops were held to roll out the framework in order to facilitate country-level results-reporting. A workshop for Anglophone countries was conducted in December 2011, attended by representatives from 12 EIF Countries.<sup>17</sup> The ES also planned to work with each of these countries to:

1. Update the Tier 1 work plans and logframes to include and reflect the four key outcomes and common indicators;
2. Develop a results (M&E) Framework for each country; and
3. Collect and compile results indicators at the goal, purpose and outcome levels for the baseline year of 2009 and subsequent indicators for 2010 and 2011. It needs to be noted that this is the first report on outcomes and indicators according to the 2011-approved M&E Framework, and indicator values in particular may need to be verified and revised.<sup>18</sup>

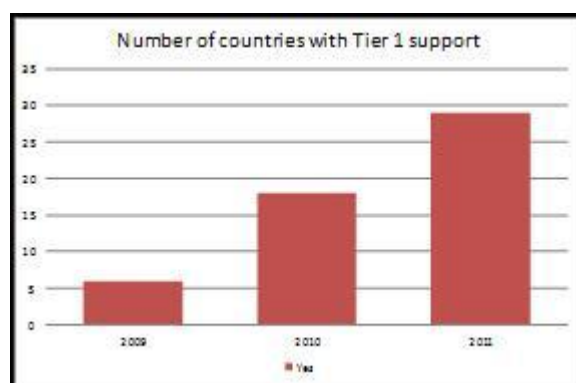
The programme-level reporting is based on countries with approved Tier 1 projects that have produced a Tier 1 logframe and have completed data collection instruments.

### Results Summary

- There is a positive trend in achieving programme-level outcomes and therefore the objectives of the EIF.
- This positive trajectory is shown by most of the indicators measuring outcomes of the programme.
- While this preliminary data and analysis cover up to 2011, some indicator targets were set for 2012 and 2013. There are countries that have met these targets in 2012, but these are not included in this analysis.
- Although the number of countries reporting to have a stand-alone trade strategy is not progressing as expected, the quality of trade strategies is considered at least good by most countries and very good in 2011, in particular.
- While progress in mainstreaming trade into national development plans or poverty reduction strategies is gradual, integrating trade into sector strategies is rapid, with agriculture, tourism, industry, and transport and infrastructure taking the lead.
- While at least 50 per cent of EIF Countries have a very good public and private sector consultative mechanism on trade-related issues, the figure is much lower on the frequency of government and donor consultation on trade issues.

#### **Outcome 1: *Sufficient Institutional and Management capacity built in EIF Countries to formulate and implement trade-related strategies and implementation plans***

EIF institutional and management capacity building aims at enhancing the capacity of governments and the involvement of businesses and the private sector to effectively formulate and implement trade-related



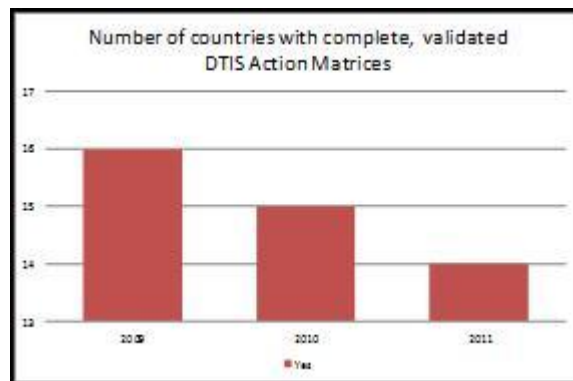
<sup>17</sup> A second workshop covering Francophone EIF countries was planned to be conducted in May 2012.

<sup>18</sup> All outcome-level indicators used in this report, with the exception of 1.3 as assessed by the TFM, are the reflection of country reporting. The ES may have a different opinion and where this is the case it is reflected in a footnote on the country reports. Likewise, programme-level reporting at this stage should be considered in context as the system and the database are still in development and dual (country and ES) verification is required for some indicators.

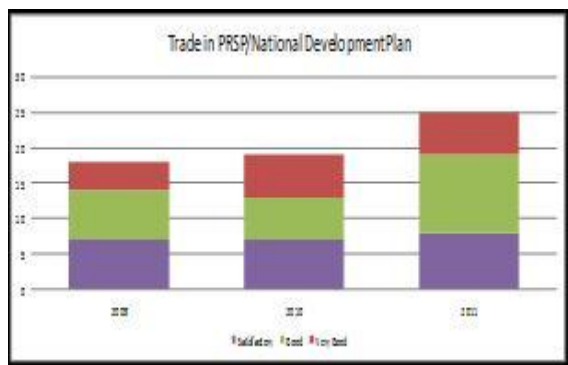
strategies. It also aims to improve institutional arrangements to implement the strategies. This implies addressing capacity building on a long-term, strategic level.

There is a general positive trend in achieving this outcome as measured by the indicators in the figures below. We see a progressive trajectory in the number of EIF Countries that have established a NIU or incorporating EIF support into the national system engaged in promoting EIF objectives at country level. By the end of 2011, 29 countries have benefited from such support, with one country failing into a fragile state category. This increase is almost five times the number at baseline.

However, we notice that the number of countries with complete validated DTIS Action Matrix has fallen. A DTIS Action Matrix that is more than three years old is considered not updated. The graph therefore reveals that more countries will need a DTIS Update as we progress through the years as a DTIS Matrix hits the three-year limit.

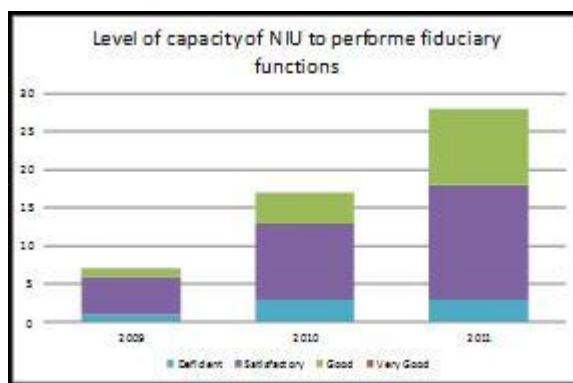


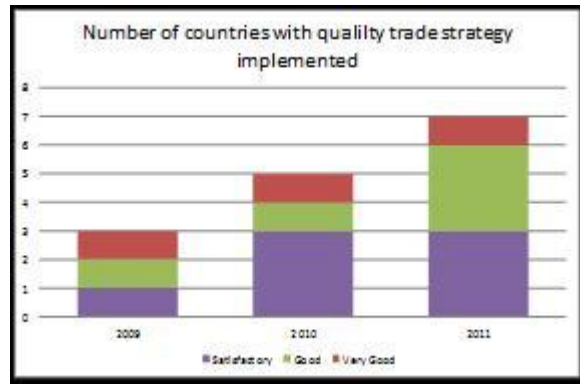
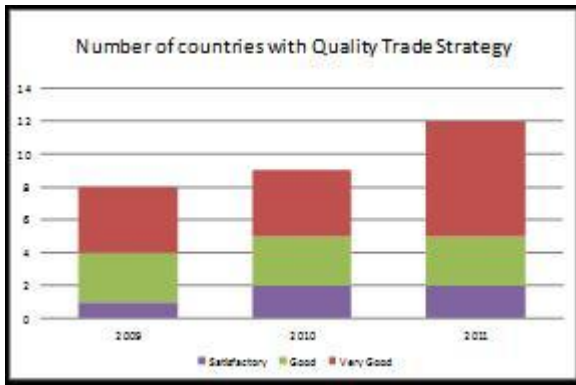
We see an increase in the capacity of NIUs to perform fiduciary functions. For each of these years, the level



of capacity of NIUs to perform fiduciary functions was assessed to be at least satisfactory. In 2011, 25 countries out of the 29 (approximately 86 per cent) had satisfactory or better fiduciary ratings for their NIUs. For the small number of NIUs that were assessed to be deficient, either as a result of a temporary political situation or low assessed initial capacity, targeted assistance and training is being designed and delivered to them, including through agency implementation and ITA support.

There are an increasing number of countries with up to date trade strategies. Of the countries that reported, eight had a trade strategy at baseline. By the end of 2011, this number has increased to 11. While some countries mentioned national documents like a national action plan as having sections specific to trade, however, the M&E system only considered countries that reported having specific documents that are referred to and published as a trade strategy. Also, trade strategies reported to be more than five years old were coded as not up to date. Most countries that reported to have a trade strategy rated the trade strategy to be at least satisfactory. Of those reporting to have a quality trade strategy, about 30 per cent of the countries do not have an implementation plan or have not satisfactorily implemented the trade strategy.



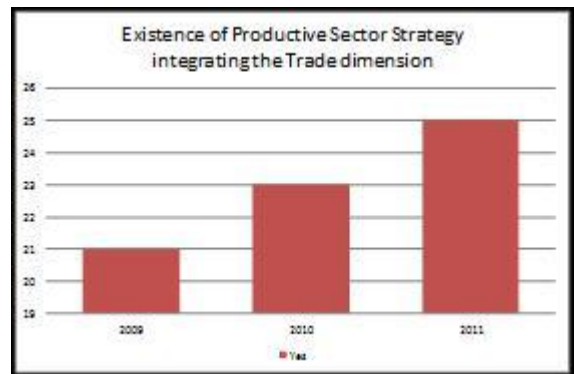


**Outcome 2: EIF Countries mainstream trade into their national development strategies and plans**

Mainstreaming trade is a process that requires players, well-built institution and committed actors. It requires decision-making in the planning and execution of the broader national development objectives. For the EIF, it means strengthening both human and institutional capacity to systematic integrate trade into the national development plans and poverty reduction strategies, a more effective monitoring of the implementation of DTIS Action Matrices and more effective consultation amongst EIF stakeholders.

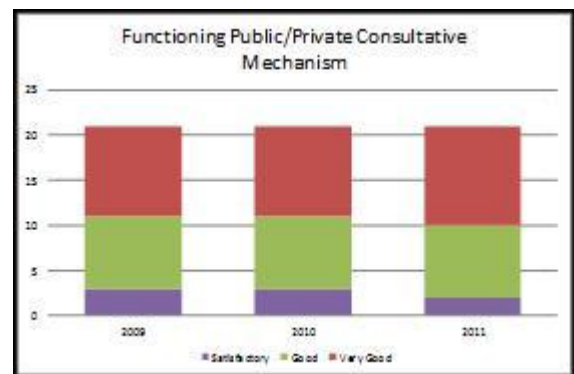


An increasing number of countries show trade being incorporated into countries' PRSPs or NDPs. From baseline, not only has the number of countries with trade integrated into their PRSP/NDP gradually increased, but the quality of integration as well, with a greater percentage of the countries having at least a good level of integrating trade into their national development strategies.



This trend is translated into productive sector strategies as illustrated in Figure 8. Over the three years, the number of countries incorporating trade into their sector strategies is on the rise. The most reported sectors with trade mainstreaming include agriculture, tourism, energy, industry, transport, and infrastructure.

Over the three years, mainstreaming trade into national development strategies has not necessarily translated into an effective public-private sector coordination mechanism, even though the consultative mechanism has been very good for at least half of the countries reporting. This implies a frequent public-private sector dialogue on trade-related issues and higher level of private sector involvement in decision-making and trade policy formulation and implementation.



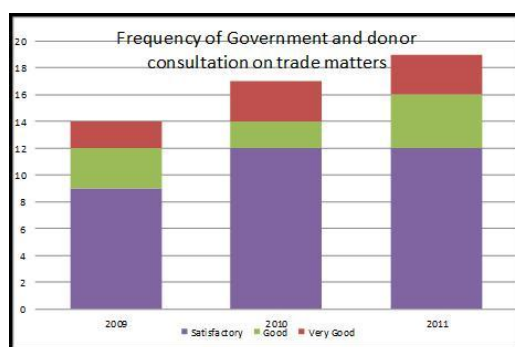
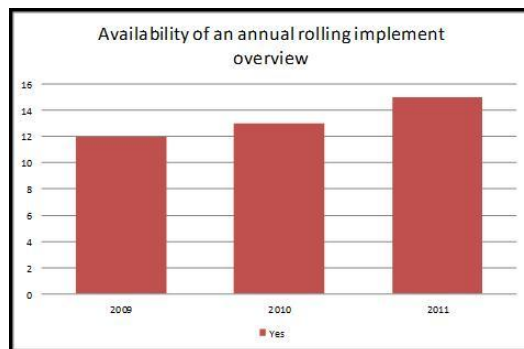
**Outcome 3: Coordinated delivery of trade-related resources (funding, technical assistance, etc.) by donors and implementing agencies to implement country priorities following adoption of DTIS Action Matrix.**

The EIF is viewed as a programme to facilitate trade mainstreaming by providing tools such as a DTIS Action Matrix, and delivery of Tier 1 and Tier 2 projects emanating from DTIS Action Matrices in line with country priorities. If these tools are not used effectively, an LDC may not have a clear strategy on mainstreaming trade into its development plans. In this perspective, mainstreaming requires the development of a sound trade policy framework that can identify and implement bankable projects with a full understanding of the gender and environmental dimensions of trade.

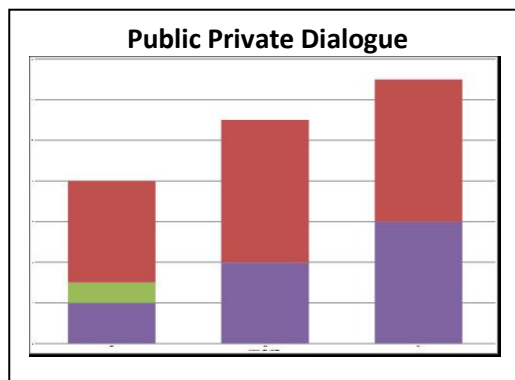
Coordinated delivery of trade-related resources at country level requires a plan that integrates all government- and donor-supported activities. There has been a gradual progression from baseline to 2011 in the number of countries that have a publicly available annual rolling implementation overview for trade-related funding. Translating such government–donor activities overview into action requires a series of consultations and dialogue between the two parties.

Government-donor consultations take time to establish and mature into effective implementation. It requires willingness by all parties to operate in a coordinated manner and deliver as one. While the number of countries having government and donor consultation on trade matters is on the increase, the frequency of consultation is generally only rated as satisfactory.

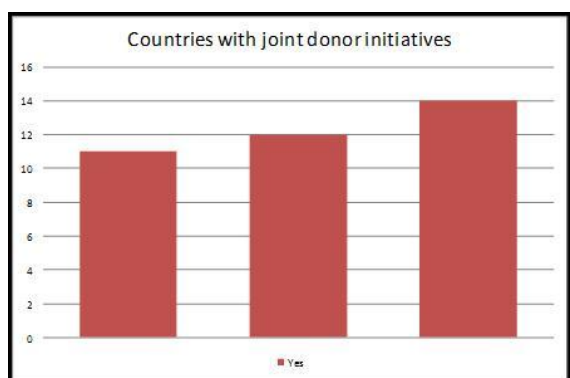
While this level of donor consultation is acceptable in meeting the programme targets, the goal is to have at least 50 per cent of countries having good government-donor consultative mechanisms on trade-related matters. One pivotal way to achieve this is to have, within each EIF Country, a mechanism to monitor donor activities to see that they are well coordinated in a manner that could facilitate synergies for joint initiatives. Progress is being made in this direction as a number of EIF Countries with Tier 1 projects show joint donor initiatives on the increase.



countries having government and donor



**Outcome 4: EIF Countries secure resources in support of initiatives that address DTIS Action Matrix**



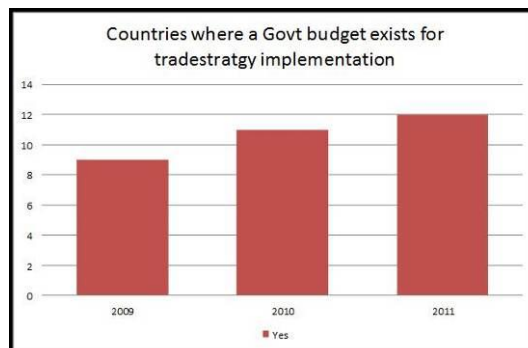
The EIF process aims to strengthen donor support to a country’s trade agenda. Donors can sign up to the EIF as a vehicle to deliver on their Aft commitments. On the other hand, LDCs can use the EIF as a vehicle to assist in coordinating donor support and to leverage more Aft resources.

In order to meet this challenge of leveraging resources and coordinating donor support, EIF

Countries are implementing plans that integrate DTIS Action Matrix priorities as a tool to source financial resources. Of the countries with Tier 1 support, progress has been shown from the baseline year that reflects an increased number of countries having implementation plans that integrate DTIS Action Matrix priorities and indicating financial needs to be met through ODA.

The implementation plans do not only consider financial requirements from donors but indicate government counterpart financial support through EIF Country national budgets. Since the baseline, there has been a gradual increase in the number of countries whose national governments are allocating funds for the implementation of their trade strategy.

Leveraging funds in the implementation of a country's trade strategy, as linked with the DTIS Action Matrix, is also gaining momentum with donors. The number of projects funded by donors, per country and per year is also on the rise, with some countries reporting up to three projects resulting from the Action Matrix in 2011.



### Country Level Reporting

The country-by-country progress reports in part 2 of this document have been revised to follow the outcomes that have been identified for the programme-level logframe, namely institutional and management capacity building, trade mainstreaming, DTIS Action Matrix implementation and donor coordination on the AfT agenda. Sources for the country-by-country progress reports were the bi-annual technical reports provided by the countries, results of additional M&E surveys to the countries reporting on the M&E indicators and the Coordinators' and TFM Regional Portfolio Managers' knowledge of the situation from missions and from communications with FPs and NIU Coordinators on project implementation. However, since the EIF M&E Framework and logframe were only finalised during the reporting period, the bi-annual technical reports provided by the countries have not included reporting on specific indicators for all countries as yet. Indicators have only been included for those countries for which the country has specifically reported the indicators to the ES through additional communication. Therefore, the level of detail the reports are able to provide varies across countries.

### SNAPSHOT: Youth – the traders of tomorrow

The youth have been identified as the crucial labour force required to grow an economy. With the financial crisis, job prospects for the youth have drastically reduced, and to address these shortcomings, the upcoming Tier 2 projects in Cambodia, Central African Republic, The Gambia, Lesotho, Sierra Leone and Zambia, all focus on diversifying the business models, expanding and creating new innovations to better engage the youth in the different sectors. For instance, Central African Republic's proposed Tier 2 project takes into consideration the need to build capacity of women and youth involved in the agricultural sector. In order to strengthen the project sustainability, the University of Bangui will participate in training activities in order to improve its own capacity to replicate the process of knowledge acquisition afforded by the project to the different stakeholders, including the youth and women.

## H. OUTLOOK 2012

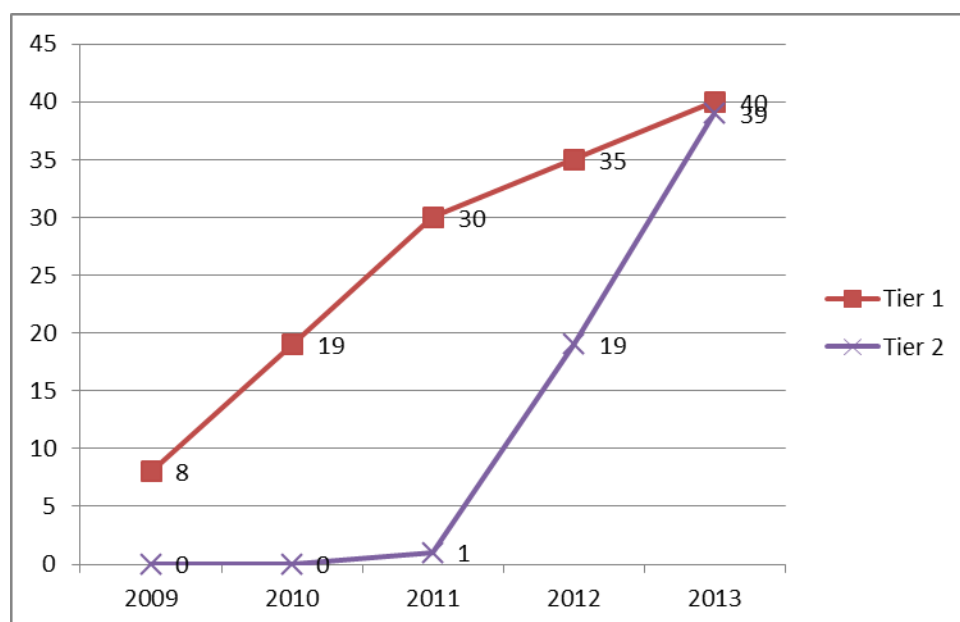
The EIF has focused on building strong foundations for trade mainstreaming and country-led delivery, supported by strong and growing political and technical support for the trade process in LDC governments. By the end of 2012, beginning of 2013, it is expected that:

- NIAs led by a stronger Trade Ministry (Tier 1 projects) will be active or in an advanced stage of preparation in 40 countries.<sup>19</sup>
- Thirty-three DTIS (and DTIS Updates) will have been undertaken or will be in process to align with NDPs.
- EIF Countries will continue to build on the inclusion of trade in LDC NDPs as the EIF process aligns with the national planning and implementation cycle.

By the end of 2012, it is expected that 19 Tier 2 projects will be active, with at least 20 more LDC Tier 2 projects at various stages of development.

The table below shows the trend of approved and active pipeline EIF projects. The figures are actual for 2009-2011. By September 2012, a further eight Tier 2 project approvals were received, with an expectation of a further ten approved by the end of 2012, and a remaining 20 in the active pipeline. This does not include any additional Tier 2 pipeline projects that are not already notified to the ES and may yet be submitted by countries. Likewise, there were 30 Tier 1 projects approved by December 2011, with a further 10 active pipeline projects. It is likely that additional resources to the EIF may be required to finance any additional Tier 2 projects.

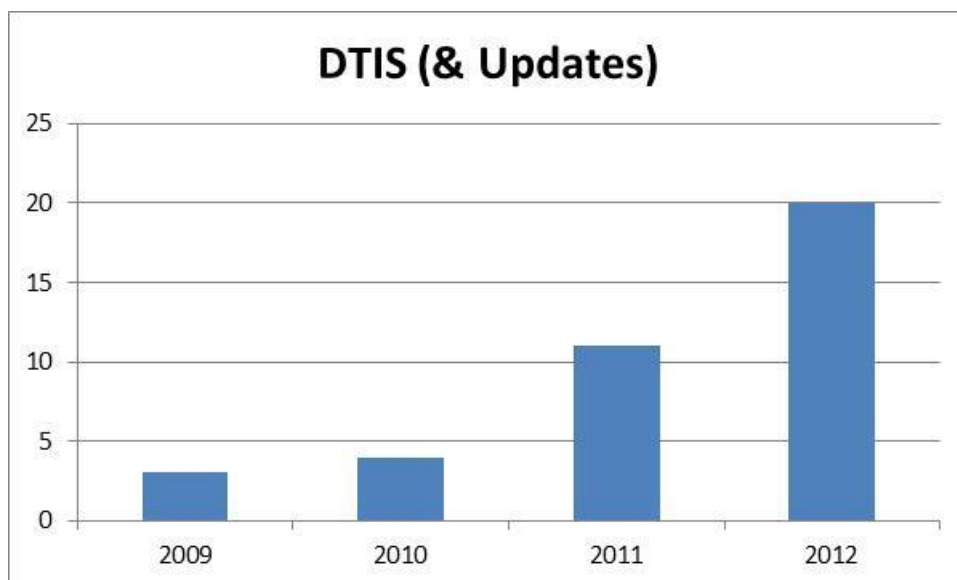
### EIF Tier 1 and Tier 2 approvals and active pipeline



The table below shows the cumulative total of DTIS and DTIS Updates that have been undertaken (excluding the seven pre-DTIS activities). The number of DTIS directly financed from the EIF Trust Fund will almost double during 2012 to a total of 20.

<sup>19</sup> As of October 2012, 31 countries had a Tier 1 project with nine more in process. Twenty DTIS (and DTIS Updates) have been undertaken or in process, with 13 more in the pipeline.





The EIF actively will continue to actively engage in international events that help in addressing LDCs' trade and development needs. In the coming period this will include the Thirteenth session of the United Nations Conference on Trade and Development (UNCTAD XIII) in April 2012, where the EIF will host an LDC Ministerial Working Breakfast on the EIF along the theme "Integrating Trade into National Development Strategies: Accelerating Delivery of Results in the New Global Economic Landscape". The EIF ES and TFM will also participate in a special event to be hosted by the Government of Comoros focusing on Comoros' Vision 2015 in preparation of a Donor Round Table on AfT in 2012. The EIF will also participate in the WTO MC8 in December 2011 and join the WTO in hosting the International Women's Day Event in March 2012. The event will focus on how the EIF is supporting the drive for women's economic empowerment in the poorest countries worldwide.

In 2012, the ES in collaboration with EIF partners will develop capacity-building modules on M&E, programmatic approach in project development and communications in support of programme delivery. Some Tier 1 projects will soon be in the third year of implementation. As such, a number of extension requests will be received for the final planned two years of operation. Furthermore, sustainability will have to be considered now structures and processes have largely been established. While the EIF Compendium and M&E Framework have been finalized and approved, a number of remaining guidelines remain to be developed, namely on feasibility studies and Tier 1 project extensions. The EIF database is expected to be ready for use in mid-2012.

As provided for in the Compendium of EIF guidelines, the EIF will undergo an MTR in 2012. The MTR will provide recommendations to the Board for implementation of the remaining mandate of the EIF. The MTR will also be a key input into planning the future direction of the EIF process, and in particular any decision on the extension of the mandate of the EIF beyond 2013.

## **PART 2: EIF COUNTRY SUMMARY REPORTS AND ANNEXES**

The following country summary reports include indicators that are still in a state of development. This report includes indicators as notified by the country NIU. In some cases, the ES may query the indicator provided by the country and/or the indicator has not been verified by the country, and this is shown by the indicator being in red colour or followed by an asterisk. Footnotes have also been included to further clarify the current position. The current M&E Framework does not provide for a 'not applicable/not available' rating. Hence, some indicators may be reported by the countries as 'unsatisfactory' or a '5'.

This section also includes a summary table displaying total EIF project support values to each country. The details of the projects approved to date and during the reporting period are provided below. Please note the following in reviewing the summary table:

- The table does not include the unallocated amount of US\$2.8 million to the World Bank and the World Bank Subsidiary Trust Fund establishment fee of US\$35,000;
- As explained earlier, some DTIS Updates are still budgeted for only US\$100,000, though it is expected that when they are finalized in compliance with the Compendium, they will be increased to US\$200,000 (as per the EIF Board decision of 7 July 2010 to increase the allocation for DTIS Updates); and
- Finally, until an MIE is identified and approved for a DTIS Update, it is marked as TBD (to be determined).

**A. SUMMARY TABLE: APPROVED EIF PROJECTS**

Approved EIF Projects						
Country	Project Type	EIF Board Approval Date	MIE Responsible Unit	2008-10	2011	Total
Afghanistan	DTIS	8-Oct-08	World Bank	400,000		400,000
	Pre-DTIS	22-Sep-10	Government	50,000		50,000
<b>Afghanistan Total</b>				<b>450,000</b>		<b>450,000</b>
Bangladesh	DTIS	25-Mar-11	World Bank		400,000	400,000
	Pre-DTIS	22-Sep-10	Government	50,000		50,000
<b>Bangladesh Total</b>				<b>50,000</b>	<b>400,000</b>	<b>450,000</b>
Benin	Tier 1 – 'Support to NIAs'	11-Aug-11	Government		899,991	899,991
	DTIS Update	11-Aug-11	TBD		200,000	200,000
<b>Benin Total</b>					<b>1,099,991</b>	<b>1,099,991</b>
Bhutan	DTIS	24-Mar-11	UNDP		400,000	400,000
	Pre-DTIS	15-Jan-10	Government	50,000		50,000
<b>Bhutan Total</b>				<b>50,000</b>	<b>400,000</b>	<b>450,000</b>
Burkina Faso	Tier 1 – 'Support to NIAs'	22-Nov-10	Government	900,000		900,000
<b>Burkina Faso Total</b>				<b>900,000</b>		<b>900,000</b>
Burundi	Tier 1 – 'Support to NIAs'	12-Feb-10	Government	900,000		900,000
	DTIS Update	24-Mar-11	World Bank		200,000	200,000
<b>Burundi Total</b>				<b>900,000</b>	<b>200,000</b>	<b>1,100,000</b>
Cambodia	Tier 1 – 'Support to NIAs'	29-Sep-09	Government	894,900		894,900
	DTIS Update	29-Sep-09	TBD	15,000		15,000
<b>Cambodia Total</b>				<b>909,900</b>		<b>909,900</b>
Cape Verde	Tier 1 – 'Support to NIAs'	23-Nov-11	Government		900,000	900,000
	DTIS Update	23-Nov-11	TBD		200,000	200,000
<b>Cape Verde Total</b>					<b>1,100,000</b>	<b>1,100,000</b>
Central African Republic	Tier 1 – 'Support to NIAs'	12-May-10	Government	900,000		900,000
	DTIS Update	12-May-10	TBD	100,000		100,000
<b>Central African Republic Total</b>				<b>1,000,000</b>		<b>1,000,000</b>
Chad	Tier 1 – Support to NIAs'	9-Jun-11	Government		900,000	900,000
	Tier 1 – 'Support to NIAs' - ITA	17-Nov-11	UNOPS		254,410	254,410
	DTIS Update	9-Jun-11	TBD		200,000	200,000
<b>Chad Total</b>					<b>1,354,410</b>	<b>1,354,410</b>
Comoros	Tier 1 – 'Support to NIAs'	10-Jan-11	UNPD		900,000	900,000
	DTIS Update	10-Jan-11	UNDP		200,000	200,000
<b>Comoros Total</b>					<b>1,100,000</b>	<b>1,100,000</b>

Country	Project Type	EIF Board Approval Date	MIE Responsible Unit	2008-10	2011	Total
<b>Djibouti</b>	Tier 1 – 'Support to NIAs'	31-May-11	Government		784,590	784,590
	Tier 1 – 'Support to NIAs' - ITA	2-Dec-11	UNOPS		200,000	200,000
	DTIS Update	31-May-11	TBD		100,000	100,000
<b>Djibouti Total</b>					<b>1,084,590</b>	<b>1,084,590</b>
<b>Democratic Republic of the Congo</b>	DTIS	8-Oct-08	World Bank	400,000		400,000
	Pre-DTIS	15-Jan-10	Government	50,000		50,000
	Tier 1 – 'Support to NIAs'	31-May-11	Government		900,000	900,000
	Tier 1 – 'Support to NIAs' - ITA	31-May-11	UNDP		252,520	252,520
<b>Democratic Republic of the Congo Total</b>				<b>450,000</b>	<b>1,152,520</b>	<b>1,602,520</b>
<b>Gambia</b>	Tier 1 – 'Support to NIAs'	15-Dec-09	Government	900,000		900,000
	DTIS Update	23-Nov-11	UNCTAD		197,950	197,950
<b>Gambia Total</b>				<b>900,000</b>	<b>197,950</b>	<b>1,097,950</b>
<b>Guinea</b>	Tier 1 – 'Support to NIAs'	23-Nov-11	Government		900,000	900,000
	DTIS Update	23-Nov-11	TBD		200,000	200,000
<b>Guinea Total</b>					<b>1,100,000</b>	<b>1,100,000</b>
<b>Guinea-Bissau</b>	Tier 1 – 'Support to NIAs'	22-Nov-10	Government	900,000		900,000
	DTIS Update	22-Nov-10	TBD	100,000		100,000
<b>Guinea-Bissau Total</b>				<b>1,000,000</b>		<b>1,000,000</b>
<b>Haiti</b>	DTIS	11-Aug-11	World Bank		400,000	400,000
	Pre-DTIS	15-Oct-10	Government	50,000		50,000
<b>Haiti Total</b>				<b>50,000</b>	<b>400,000</b>	<b>450,000</b>
<b>Lao PDR</b>	Tier 1 – 'Support to NIAs'	26-Jan-10	Government	837,599		837,599
	DTIS Update	29-Oct-10	Government	399,400		399,400
<b>Lao PDR Total</b>				<b>1,236,999</b>		<b>1,236,999</b>
<b>Lesotho</b>	Tier 1 – 'Support to NIAs'	26-Jan-10	Government	874,000		874,000
	DTIS Update	7-Dec-11	USAID		200,000	200,000
<b>Lesotho Total</b>				<b>874,000</b>	<b>200,000</b>	<b>1,074,000</b>

Country	Project Type	EIF Board		2008-10	2011	Total
		Approval Date	MIE Responsible Unit			
Liberia	Tier 1 – 'Support to NIAs'	22-Oct-09	Government	899,900		899,900
	DTIS Update	22-Oct-09	TBD	100,000		100,000
<b>Liberia Total</b>				<b>999,900</b>		<b>999,900</b>
Malawi	Tier 1 – 'Support to NIAs'	23-Sep-09	Government	899,250		899,250
	DTIS Update	23-Sep-09	TBD	100,000		100,000
<b>Malawi Total</b>				<b>999,250</b>		<b>999,250</b>
Maldives	Tier 1 – 'Support to NIAs'	22-Dec-10	Government	900,000		900,000
<b>Maldives Total</b>				<b>900,000</b>		<b>900,000</b>
Mali	Tier 1 – 'Support to NIAs'	14-Jul-10	Government	899,378		899,378
	DTIS Update	14-Jul-10	TBD	100,000		100,000
<b>Mali Total</b>				<b>999,378</b>		<b>999,378</b>
Nepal	Tier 1 – 'Support to NIAs'	15-Mar-10	Government	900,000		900,000
<b>Nepal Total</b>				<b>900,000</b>		<b>900,000</b>
Niger	Tier 1 – 'Support to NIAs'	26-Jan-11	Government		900,084	900,084
	DTIS Update	26-Jan-11	TBD		200,000	200,000
<b>Niger Total</b>					<b>1,100,084</b>	<b>1,100,084</b>
Rwanda	Tier 1 – 'Support to NIAs'	23-Sep-09	Government	834,400		834,400
	DTIS Update	23-Sep-09	TBD	100,000		100,000
<b>Rwanda Total</b>				<b>934,400</b>		<b>934,400</b>
Senegal	Tier 1 – 'Support to NIAs'	24-Nov-11	Government		900,000	900,000
	DTIS Update	24-Nov-11	TBD		200,000	200,000
<b>Senegal Total</b>					<b>1,100,000</b>	<b>1,100,000</b>
Sierra Leone	Tier 1 – 'Support to NIAs'	1-Jul-09	Government	808,859		808,859
	DTIS Update	1-Jul-09	TBD	100,000		100,000
<b>Sierra Leone Total</b>				<b>908,859</b>		<b>908,859</b>
Solomon Islands	Tier 1 – 'Support to NIAs'	21-Dec-10	Government	300,000		300,000
<b>Solomon Islands Total</b>				<b>300,000</b>		<b>300,000</b>
Timor-Leste	Pre-DTIS	15-Jan-10	Government	50,000		50,000
<b>Timor-Leste Total</b>				<b>50,000</b>		<b>50,000</b>

Country	Project Type	EIF Board Approval Date	MIE Responsible Unit	2008-10	2011	Total
<b>Togo</b>	DTIS	8-Oct-08	World Bank	400,000		400,000
	Pre-DTIS	15-Jan-10	Government	50,000		50,000
	Tier 1 – 'Support to NIAs'	23-Nov-11	Government		900,006	900,006
<b>Togo Total</b>				<b>450,000</b>	<b>900,006</b>	<b>1,350,006</b>
<b>Uganda</b>	Tier 1 – 'Support to NIAs'	28-Sep-09	Government	900,000		900,000
	Tier 2	30-Aug-11	Government		2,998,119	2,998,119
	DTIS Update	18-Oct-11	World Bank		200,000	200,000
<b>Uganda Total</b>				<b>900,000</b>	<b>3,198,119</b>	<b>4,098,119</b>
<b>Yemen</b>	Tier 1 – 'Support to NIAs'	1-Jul-09	Government	931,000		931,000
	DTIS Update	1-Jul-09	TBD	100,000		100,000
<b>Yemen Total</b>				<b>1,031,000</b>		<b>1,031,000</b>
<b>Zambia</b>	Tier 1 – 'Support to NIAs'	8-Feb-10	Government	899,400		899,400
<b>Zambia Total</b>				<b>899,400</b>		<b>899,400</b>
<b>Grand Total</b>				<b>19,043,086</b>	<b>16,087,670</b>	<b>35,130,756</b>

**B. COUNTRY REPORTS**

# Afghanistan



<b>Project(s)</b> (if applicable)	DTIS (WB – EFO)
<b>Project dates</b> (if applicable)	Board Approval: 8-Oct-2008 MoU Signature: 28-Jul-2009 First Transfer of Funds: 31-Jul-2009 MoU Expiry: 30-Jan-2012
<b>Approved budget</b> (if applicable)	US\$400,000
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$0.00  Total amount transferred: US\$200,000.00
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: 0 No. of FRs Pending: 0  Total expenditure reported:	US\$200,000.00
<b>Technical reports (TR) received</b> (if applicable) No of TRs Received: 0 No of TRs Pending: 0	
<b>Project(s)</b> (if applicable)	Pre-DTIS
<b>Project dates</b> (if applicable)	Board Approval: 22-Sep-2010 MoU Signature: 18-Apr-2011 First Transfer of Funds: 28-Apr-2011 MoU Expiry: 17-Apr-2012
<b>Approved budget</b> (if applicable)	US\$50,000
<b>Financial transfers</b> (if applicable)	Transfer made in 2011: US\$40,000.00  Total amount transferred: US\$40,000.00
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: 0 No. of FRs Pending: 1  Total expenditure reported:	US\$0.00
<b>Technical reports (TR) received</b> (if applicable)  No. of TRs Received: 0 No. of TRs Pending: 1	

<b>I. GOAL AND PURPOSE INDICATORS</b>					
<b>Goal Indicators</b>	<b>Baseline</b>		<b>Y1</b>		<b>Y2</b>
Completed WTO accession					
Per cent share of international non-oil trade					
Poverty headcount					
Per capita growth rate					
Gini-coefficient					
<b>Purpose Indicators</b>					
Value of non-oil goods traded (US\$ mil)					
Non-oil goods traded diversification					
Logistics performance index					
World Bank doing business-trading across countries					
Employment in non-traditional export sectors					
SMEs registered for import and export trade					
<b>II. RESULTS</b>					
<b>OUTCOME INDICATORS AND RESULTS</b>					
<b>Institutional Capacity (Outcome 1)</b>					
	BL	'11		BL	'11
O1.1: Support to NIAs			O1.4: Trade strategy updated		
O1.2: DTIS-AM			O1.5: Trade Strategy quality		
O1.3: Fiduciary capacity			O1.6 Trade Strategy implemented		
<p><b>Progress was made over the reporting period in building institutional capacity to formulate and implement trade related strategies and implementation Plans. In particular, implementation of a Pre-DTIS project started and the DTIS process advanced according to the work plan.</b></p> <p><b>O1.1:</b> EIF activities picked up following the nomination of the Minister of Trade in the second half of 2010. Implementation of a Pre-DTIS project started in Q3 in 2011. Since then, a small NIU has been set up to support the FP in implementing the EIF programme. Activities undertaken were mainly aimed at outreach (two workshops, one in Kabul, one in Mazar-i-Sharif).</p> <p><b>O1.2:</b> The DTIS concept note was reviewed in May 2011, and the main DTIS fact finding missions took place in the second half of 2011 with some logistical challenges owing to a tightening security situation.</p> <p><b>O1.6:</b> Afghanistan does not have a trade or export strategy.</p>					
<b>Mainstreaming (Outcome 2)</b>					
	BL	'11		BL	'11
O2.1: Trade in the National Development Plan			O2.3: Public-Private Dialogue		
O2.2: Trade in Productive Sector Strategies					
O2.3: Outreach to private sector (in Mazar-i-Sharif) and academia (in Kabul) on mainstreaming trade					
<b>Coordination of AfT (Outcome 3)</b>					
	BL	'11		BL	'11
O3.1: Annual joint sector implementation overview			O3.3: UN CEB activities based on DTIS-AM		
O3.2: Frequency of Government-Donor consultation in trade			O3.4: Joint donor initiatives in trade		
<p><b>Under the leadership of the DF (Germany), progress was achieved in coordination of AfT by setting up a joint donor initiative in trade.</b></p> <p>O3.4: The National Priority Programme Integrated Trade and SME Support Facility has been endorsed by the Joint</p>					



Coordination and Monitoring Board (JCMB), the Government-donor forum in Afghanistan and the Afghan Council of Ministers.

<b>Action Matrix Implementation (Outcome 4)</b>					
	BL	'11		BL	'11
O4.1: Medium-term Programme			O4.4: Number and amount of projects funded from DTIS-AM	# proj (total US\$)	
O4.2: Government budget contribution					

There was no DTIS Action Matrix yet over the reporting period.

### **III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

The total expenditure of the pre-DTIS project as of 31 December 2011 consisted of three NIU staff and a small amount for equipment (computers).

### **IV. OUTLOOK 2012**

- Two more outreach workshops for the private sector and academia planned for 2012
- Finalization of a draft DTIS report expected for Q2
- DTIS validation workshop expected in Q3
- Drafting of a Tier 1 'Support to NIAs' project to start following the DTIS Validation Workshop
- Facilitated by DF, a visit of NIU officials to Nepal to exchange experiences for EIF implementation

### **V. CONTEXT AND OTHER REMARKS**

The overall political situation in Afghanistan in 2011 was mixed. A stable Government was in place, including a Minister of Trade, after a long vacancy until mid-2010. There were no elections or campaigns for elections, which enabled steady progress on the agenda of the Ministry of Commerce and Industry, including for WTO Accession. However, the security situation in Afghanistan has not improved over 2011, which has a significant negative impact on the investment climate.

The EIF DF (Germany) expressed a positive view regarding the viability of EIF implementation in Afghanistan despite the above-mentioned constraints.

## Angola



No EIF activities during the reporting period.

Angola's last engagement with the EIF was the participation of the Angolan delegation in the EIF Regional Workshop for Eastern and Southern Africa held in Maseru, Lesotho, in February 2011.

There are ongoing efforts of reengagement of Angola as the Government has informally expressed the desire for a DTIS Update, though no official request has yet been received by the ES.

Elections in Angola are scheduled for 31 August 2012. The current Government, led by President José Eduardo dos Santos, is favored to win and continue the rule of the MPLA – People's Movement for the Liberation of Angola (*Movimento Popular de Libertação de Angola*)

# Bangladesh



<b>Project(s)</b> (if applicable)	DTIS (WB)		
<b>Project dates</b> (if applicable)	Board Approval:	25-Mar-2011	
	MoU Signature:	19-May-2011	
	First Transfer of Funds:	30-May-2011	
	MoU Expiry:	18-May-2012	
<b>Approved budget</b> (if applicable)	US\$400,000		
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$400,000.00 *		
	<i>*The full amount was transferred to the World Bank Subsidiary Trust Fund, however the funds are being released according to specified tranches as for the EFOs</i>		
	Total amount transferred: US\$400,000.00		
<b>Financial reports (FR) received</b> (if applicable)			
	No. of FRs Received:	0	
	No. of FRs Pending:	0	
	<i>* As per the World Bank Subsidiary Trust Fund, financial information is constantly available through the World Bank donor portal, such that FRs are never technically "received" or "pending"</i>		
Total expenditure reported:	US\$0.00		
<b>Technical reports (TR) received</b> (if applicable)			
	No of TRs Received:	0	
	No of TRs Pending:	0	
<b>Project(s)</b> (if applicable)	Pre-DTIS		
<b>Project dates</b> (if applicable)	Board Approval:	22-Sep-2010	* <i>MOU Amendment</i>
	MoU Signature:	01-Dec-2011	<i>on 30-Sep-2011 for</i>
	First Transfer of Funds:	28-Dec-2010	<i>no-cost extension</i>
	MoU Expiry:	31-Dec-2011	
<b>Approved budget</b> (if applicable)	US\$50,000		
<b>Financial transfers</b> (if applicable)	Transfer made in 2011: US\$10,000.00		
	Total amount transferred: US\$50,000.00		
<b>Financial reports (FR) received</b> (if applicable)			
	No. of FRs Received:	1	
	No. of FRs Pending:	0	
Total expenditure reported:	US\$31,105.00		
<b>Technical reports (TR) received</b> (if applicable)			
	No of TRs Received:	0	
	No of TRs Pending:	1	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession			
Per cent share of international non-oil trade			
Poverty headcount			
Per capita growth rate			
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)			
Non-oil goods traded diversification			
Logistics performance index			
World Bank doing business-trading across countries			
Employment in non-traditional export sectors			
SMEs registered for import and export trade			
<b>II. RESULTS</b>			
<b>OUTCOME INDICATORS AND RESULTS</b>			
<b>Institutional Capacity (Outcome 1)</b>			
	BL	'11	
O1.1: Support to NIAs			O1.4: Trade strategy updated
O1.2: DTIS-AM			O1.5: Trade Strategy quality
O1.3: Fiduciary capacity			O1.6 Trade Strategy implemented
Some progress was made over the reporting period in building institutional capacity to formulate and implement trade-related strategies and implementation plans and in mainstreaming trade.			
In particular, the DTIS Concept Note was developed and four outreach workshops were undertaken under the pre-DTIS project. Some National Steering Committee members and other relevant stakeholders also undertook a trip to Nepal for consultations on EIF implementation.			
<b>Mainstreaming (Outcome 2)</b>			
	BL	'11	
O2.1: Trade in the National Development Plan			O2.3: Public-Private Dialogue
O2.2: Trade in Productive Sector Strategies			
Outreach to stakeholders (central and local Government officials, NSC members, private sector, trade bodies, NGOs and media) in the districts of Dhaka, Razshahi, Chittagong and Barisals on mainstreaming trade.			
<b>Coordination of Aft (Outcome 3)</b>			
	BL	'11	
O3.1: Annual joint sector implementation overview			O3.3: UN CEB activities based on DTIS-AM
O3.2: Frequency of Government-Donor consultation in trade			O3.4: Joint donor initiatives in trade
<b>Action Matrix Implementation (Outcome 4)</b>			
	BL	'11	
O4.1: Medium-term Programme			O4.4: Number and amount of projects funded from DTIS-AM
O4.2: Government budget contribution			
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>			

The pre-DTIS project expenditure to date has been on workshops, travel to Nepal, some office equipment including computers, and support staff salaries.

#### **IV. OUTLOOK 2012**

- Finalization of the DTIS Concept Note in Q1 2012
- Board Review of the DTIS Concept Note in Q 2012
- Main Mission of the DTIS in Q2
- Study tour to Cambodia to exchange on experiences for EIF implementation in Q2 or Q3
- Submission of first draft DTIS Report to the Government in Q4
- Outreach workshops on trade mainstreaming (timing TBD)

#### **V. CONTEXT AND OTHER REMARKS**

Implementation of the EIF, in particular the DTIS, has been slow in Bangladesh. According to the TOR, the DTIS should have been finalized by Q4 2011; in reality, the Concept Note has not been endorsed by the Government by the end of 2011.

<b>Project(s)</b> (if applicable)	NIA Support		
<b>Project dates</b> (if applicable)	Board Approval:	11-Aug-2011	* To be amended
	MoU Signature:	19-Sep-2011	after operational
	First Transfer of Funds:	22-Sep-2011	extension of UNOPS
	MoU Expiry:	31-Dec-2013	mandate as TFM
<b>Approved budget</b> (if applicable)	US\$899,991.00	Plus US\$200,000.00 for DTIS Update (pending MIE selection)	
<b>Financial transfers</b> (if applicable)	NIA Support		
	Transfer made in 2011: US\$250,000.00		
	Total amount transferred: US\$250,000.00		
<b>Financial reports (FR) received</b> (if applicable)			
	No. of FRs Received:	1	
	No. of FRs Pending:	0	
Total expenditure reported:	US\$50,491.39		
<b>Technical reports (TR) received</b> (if applicable)			
	No of TRs Received:	0	
	No of TRs Pending:	0	

**I. GOAL AND PURPOSE INDICATORS**

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession			
Per cent share of international non-oil trade	0.01	0.01	
Poverty headcount			
Per capita growth rate	3.8	3	3.8
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	1000	1200	
Non-oil goods traded diversification			
Logistics performance index	1.8	2.79	2.85
World Bank doing business-trading across countries	172	172	170
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	2005	N	N	O1.5: Trade Strategy quality	4	4	4
O1.3: Fiduciary capacity	0	0	3	O1.6: Trade Strategy implemented	5	5	5

O1.1 The NIAs were stagnant since the closure of the old IF programme in December 2010. However, the approval of the Tier 1 project facilitated the reactivation of the NIU, which became operational in September 2011 with the same team envisaged and reinforced by one additional national expert on trade policy and private sector development.

A DTIS Update will be launched this year, since the last DTIS was validated in 2004 and needed to be revised.

O1.4 The Accelerated Growth and Poverty Reduction Strategy (AGPRS 2011-2015) in its 4<sup>th</sup> Pillar focusing on the economy, has outlined a trade strategy consisting of "Promoting trade and regional integration".

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O1.1: Trade in the National Development Plan	5	5	3	O2.3: Public-Private Dialogue	5	5	<sup>20</sup> 5
O1.2: Trade in Productive Sector Strategies	Y	Y	Y				

O2.1 Trade has been mainstreamed in the 3<sup>rd</sup> AGPRS "Promoting trade and regional integration" and in productive sectors, such as agriculture, tourism and handicrafts.

O2.3 Public private dialogue is ongoing even though it can be improved and strengthened.

#### Coordination of Aft (Outcome 3)

	BL	'10	'11		BL	'10	'10
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	4	4	4	O3.4: Joint donor initiatives in trade	Y	Y	Y

The Embassy of Denmark informed the Focal Point that they cannot continue to assume the function of DF due to staff constraints. Consultations are ongoing to identify and appoint a new DF before the end of 2012.

#### Action Matrix Implementation (Outcome 4)

	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	1 (1)		2 (17.13)
O4.2: Government budget contribution	N	N	N				

O4.1: Except for the AGPRS, there is no specific trade medium-term plan.

O4.4 The NIU and UNIDO have been preparing a Tier 2 project, which should be submitted in 2012. But for the reporting period, it is not clear as to whether there are any current projects funded from the DTIS AM.

## III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

The MOU for the Tier 1 project was signed following the approval of the EIF Board, with the first disbursement made in September 2011. The TFM undertook a start-up facilitation mission in November 2011, and the project work plan and budget were revised.

<sup>20</sup> There is ongoing PP dialogue between the Government and the private sector through the Chamber of Commerce and also with relevant private sectors organizations. The private sector is represented in the EIF NSC as well. The ES believes that this indicator has improved to 3 in 2011.

#### **IV. OUTLOOK 2012**

The NIU is preparing a Tier 2 proposal with the support of UNIDO.

The MOU will be amended following the extension of the TFM's operational mandate.

The TFM will undertake a supervision mission in the 4<sup>th</sup> quarter 2012.

The Focal Point retired and a new FP was designated.

#### **V. CONTEXT AND OTHER REMARKS**

During 2011, very few activities were implemented under the EIF programme as a result of the completion of the IF Window II in December 2010. The main activity consisted of the preparation of the Tier 1, which was submitted to the EIF Board and approved in August 2011. The project implementation was facing a series of bureaucratic difficulties delaying activities implementation.



# Bhutan



<b>Project(s)</b> (if applicable)	Pre-DTIS ( <b>CLOSED</b> )	
<b>Project dates</b> (if applicable)	Board Approval:	15-Jan-2010
	MoU Signature:	15-Feb-2010
	First Transfer of Funds:	23-Feb-2010
	MoU Expiry:	28-Feb-2011
<b>Approved budget</b> (if applicable)	US\$50,000	
<b>Financial transfers</b> (if applicable)	Transfer made in 2011: US\$10,000.00	
	Total amount transferred: US\$50,000.00	
<b>Financial reports (FR) received</b> (if applicable)		
	No. of FRs Received:	2
	No. of FRs Pending:	0
Total expenditure reported:	US\$50,000.00	
<b>Technical reports (TR) received</b> (if applicable)		
	No of TRs Received:	2
	No of TRs Pending:	0
<b>Project(s)</b> (if applicable)	DTIS (UNDP)	
<b>Project dates</b> (if applicable)	Board Approval:	24-Mar-2011
	MoU Signature:	4-Apr-2011
	First Transfer of Funds:	7-Apr-2011
	MoU Expiry:	30-Jun-2012
<b>Approved budget</b> (if applicable)	US\$400,000	
<b>Financial transfers</b> (if applicable)	Transfer made in 2011: US\$350,000.00	
	Total amount transferred: US\$350,000.00	
<b>Financial reports (FR) received</b> (if applicable)		
	No. of FRs Received:	1
	No. of FRs Pending:	0
Total expenditure reported:	US\$251,475.00	
<b>Technical reports (TR) received</b> (if applicable)		
	No of TRs Received:	0
	No of TRs Pending:	0
<b>Outcomes</b>		
Good progress was made over the reporting period in building institutional capacity to formulate and implement trade-related strategies and implementation plans and in mainstreaming trade.		

In particular, the DTIS Concept Note was developed and reviewed in July 2011; the draft DTIS report and draft Action Matrix were finalized in December 2011. Jointly with the DTIS, a National Export Strategy was prepared, which will be the basis for the implementation of the DTIS Action Matrix priorities. The FP underwent capacity building on the EIF, and EIF stakeholders, including the private sector, were familiarized with the EIF and consulted on the DTIS Concept Note to ensure full country ownership of the report.

### **I. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

- The pre-DTIS project expenditures were mostly in training, including workshops, study tour to Cambodia and office equipment.

### **II. OUTLOOK 2012**

- DTIS review and DTIS Validation Workshop in Q1 in 2012
- Preparation of DTIS implementation phase, including development of a Tier 1 'Support to NIA' project in Q2 in 2012
- Finalisation of the Tier 1 Support to NIA project in Q3 or Q4 in 2012
- Start of DTIS Action Matrix implementation in Q4 in 2012

### **III. OTHER REMARKS**

- The DTIS report was prepared in much less than the average time usually taken for the drafting of the report and draft Action Matrix; the quality of the DTIS report was particularly praised by the government of Bhutan;
- Next steps in the EIF process were held back by a change in the position of FP;
- Owing to a small number of bilateral donors present in Bhutan the government has so far not been able to identify a DF.

# Burkina Faso



<b>Project(s)</b> (if applicable)	NIA Support		
<b>Project dates</b> (if applicable)	Board Approval:	22-Nov-2010	* To be amended
	MoU Signature:	10-Feb-2011	after operational
	First Transfer of Funds:	18-May-2011	extension of
	MoU Expiry:	31-Dec-2013*	UNOPS mandate as TFM
<b>Approved budget</b> (if applicable)	US\$900,000		
<b>Financial transfers</b> (if applicable)	NIA Support		
	Transfer Made in 2011: US\$150,000.00		
	Total amount transferred: US\$150,000.00		
<b>Financial reports (FR) received</b> (if applicable)	NIA Support		
	No. of FRs Received:	2	
	No. of FRs Pending:	0	
Total expenditure reported:	US\$138,692.00		
<b>Technical reports (TR) received</b> (if applicable)	NIA Support		
	No of TRs Received:	1	
	No of TRs Pending:	0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
Per cent share of international non-oil trade	0.00		0.00
Poverty headcount	44.6		44.6
Per capita growth rate	3.5	4.9	3.5
Gini-coefficient	39.8		39.8
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	850		850
Non-oil goods traded diversification			
Logistics performance index	2.13		2.13
World Bank doing business-trading across countries	155	151	155
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.4: Trade strategy updated	N	N	Y
O1.2: DTIS-AM	0	N	Y	O1.5: Trade Strategy quality	5	5	5 <sup>21</sup>
O1.3: Fiduciary capacity		3	2	O1.6: Trade Strategy implemented	5	5	5

**Significant progress was made over the reporting period in building institutional capacity to formulate and implement trade-related strategies and implementation plans. In particular, the 'Support to NIAs' project started implementation, and the NIU was set up; preparations have started to update the DTIS.**

**O1.1:** The MOU was signed in February 2011; hiring for the NIU started in February 2011, and the NIU team became operational in June 2011 and the offices – a Government counterpart – were only made available at the end of the year, which has somewhat constrained the implementation of the Tier 1 project. In the second half of the reporting period, activities began accelerating.

The General Director of External Trade at the Ministry of Industry, Commerce and Handicraft, Mr Nazaire Pare, remains the EIF FP, and AfDB remains Burkina Faso's DF though the main contact person has changed; the NSC chaired by the Secretary-General of the Ministry of Industry, Commerce and Handicraft met twice over the reporting period.

#### Capacity building

Once the NIU had been set up, a number of capacity-building measures were carried out for the NIU and NSC, including one on results based management. For the NIU, an experience-sharing mission was organized to Mali in September 2011. For the NIAs, capacity-building measures to improve capacities with respect to an appreciation of the links between trade, growth and poverty reduction, as well as for project formulation were requested.

#### Outreach

Burkina Faso has taken steps to sensitize stakeholders through outreach publicity materials, including printing a national EIF flyer. Building on this, Burkina Faso is looking at developing a communications strategy to give further strategic focus in delivering its work plan priorities.

Efforts were also made to prepare the launch of an outreach strategy in 2012.

**O1.2:** Discussions were held with potential MIEs to update Burkina Faso's 2007 DTIS and Action Matrix.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan <sup>22</sup>	0	0	2	O2.3: Public-Private Dialogue	2	2	2
O2.2: Trade in Productive Sector Strategies	N	Y	Y				

**Progress was achieved in mainstreaming since Burkina Faso's Strategy for Accelerated Growth and Sustainable Development (SCADD 2011-2015) included trade issues on the basis of the 2007 DTIS.**

<sup>21</sup> This rating is likely to change given the introduction of a strategy in 2011.

<sup>22</sup> A rating of 0 is not foreseen for indicator O2.1; this is self-reported by the country; the ES would rather propose a 5 for the baseline and 2010.

<p><b>O2.1:</b> Over the reporting period, consultations on Burkina Faso's SCADD 2011-2015 were finalized and the strategy validated in June 2011. Trade is included in the SCADD's first axis, which focuses on accelerated growth based on the priority areas of development, infrastructure, and institutions to support wealth generation of wealth through, <i>inter alia</i>, export development and further integration into the sub-regional and regional economy.</p> <p><b>O2.2:</b> A number of activities were undertaken to ensure that trade issues were recognized in the formulation of the following strategies: private sector development, shea butter marketing efforts and gum arabic production development.</p>							
<b>Coordination of Aft (Outcome 3)</b>							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade	N	Y	Y
<p><b>No specific milestone reached for AFT Coordination over the reporting period.</b></p> <p><b>O3.2:</b> Trade issues are included in Burkina Faso in the Government-donor coordination group for private sector development, which is co-chaired by the Government and the World Bank.</p>							
<b>Action Matrix Implementation (Outcome 4)</b>							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	1 (0.07)	2 (6.1)	0 (0)
O4.2: Government budget contribution	N	N	N				
<p><b>Activities to implement the DTIS Action Matrix have started.</b></p> <p><b>O4.1:</b> Burkina Faso has not yet developed an EIF Medium-term Programme:</p> <p><b>O4.4:</b> A workshop was held in September 2011 to identify the top priority in the DTIS Action Matrix. Subsequently, three workshops took place to identify key results for a project addressing the reinforcement of the sesame value chain and to ensure consultation of all stakeholders for the formulation of this project.</p>							
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>							
<p>Delays were experienced first in signing the MOU, then in opening the bank account at the Treasury for the transfer of funds as the two signatories on the account (the Coordinator and the Accountant) had to be recruited first. The recruitment, although already initiated by the Ministry in 2010, took longer than anticipated. As mentioned, a main hindrance in the project implementation has been the fact that the team did not have offices available in 2011, despite Government commitment: although the NIU team had identified new offices rapidly, it took until the end of the year until all the Government signatures were provided and the NIU was able to move in. This has also affected the procurement process. By the end of the year, the equipment had not yet been delivered, and the NIU team had to work with their personal computers. The procurement of the vehicle was also unsuccessful. In Burkina Faso, donor-funded project implementation is run by five Government decrees that provide an institutional set-up and describe some of the procedures to be followed. In addition, projects develop their own Manual of Procedures: although such a document had been completed by mid-2011, by the end of the year, it had not yet been approved by the NSC. Despite these constraints, the NIU team has been very active, and reports have been submitted on time.</p>							

#### **IV. OUTLOOK 2012**

- Move into NIU premises in Q1 and completion of the procurement process.
- Joint ES/TFM monitoring mission in Q1.
- Formulation of a Tier 2 project proposal (sesame sector) (Q1 and Q2) and submission of the project to the EIF Board for approval (Q3); if approved, start of implementation.
- Launch of a DTISU with the World Bank.
- Implementation of the EIF Burkina Faso capacity-building programme:
  - Linkages between trade, growth and poverty (UNCTAD);
  - Export market analysis (ITC) in Q2; and
  - Trade mainstreaming (UNDP pilot) in Q3;

Participation in the EIF M&E Capacity-Building Workshop in May 2012 and subsequent revision of the EIF Tier 1 project logframe, work plan and budget.

#### **V. CONTEXT AND OTHER REMARKS**

Presidential elections took place in November 2010. A new Government was formed in January 2011, including a change of Minister in the Ministry of Trade, Industry, Promotion of the Private Sector and Arts and Crafts. The first part of the year, there was social unrest, which has slowed down economic activities. A new Government was formed in April 2011, and the Minister of Trade was renewed. The Ministry changed its name. Together, these developments slowed down the implementation of the project in the beginning of the reporting period.

The EIF team in Burkina Faso is assisting in organizing the EIF M&E Capacity-Building Workshop planned for May 2012 in cooperation with the ES and UNDP.

Working closely with the World Bank (who is the donor coordinator for the joint working group on private sector development, where trade development is anchored) will further enhance donor coordination on trade issues.

# Burundi



Project(s) (if applicable)	NIA Support	DTIS Update (WB)
<b>Project dates</b> (if applicable)	Board Approval: 12-Feb-2010 MoU Signature: 25-May-2010 First Transfer of Funds: 14-Jul-2010 MoU Expiry: 24-May-2013	Board Approval: 24-Mar-2011 MoU Signature: 19-May-2011 First Transfer of Funds: 30-May-2011 MoU Expiry: 18-Mar-2012
<b>Approved budget</b> (if applicable)	US\$900,000	Plus US\$200,000 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support Transfer Made in 2011: US\$ 150,000.00  Total amount transferred: US\$300,000.00	DTIS Update: Transfer Made in 2011: US\$200,000.00 <i>*The full amount was transferred to the World Bank subsidiary trust fund, however the funds are being released according to specified tranches as for the EFOs</i>  Total amount transferred: US\$200,000.00
<b>Financial reports (FR) received</b> (if applicable)  No. of FRs Received: No. of FRs Pending:  Total expenditure reported:	NIA Support  5 0  US\$189,016.00	DTIS Update:  0 0  <i>* As per the World Bank subsidiary trust fund, financial information is constantly available through the World Bank donor portal, such that FRs are never technically "received" or "pending"</i>
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  2 0	DTIS Update:

I. GOAL AND PURPOSE INDICATORS							
Goal Indicators	Baseline	Y1	Y2				
Completed WTO accession	1	1	1				
% share of international non-oil trade	0.00	0.01					
Poverty headcount							
Per capita growth rate	3.5	3.9	4.2				
Gini-coefficient							
Purpose Indicators							
Value of non-oil goods traded (US\$ mil)	64	100					
Non-oil goods traded diversification							
Logistics performance index	2.29						
World Bank doing business-trading across countries	177	181	181				
Employment in non-traditional export sectors							
SMEs registered for import and export trade							
II. RESULTS							
OUTCOME INDICATORS AND RESULTS							
Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	0	N*	N*	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity	0	2	2	O1.6: Trade Strategy implemented	5	5	5
<p><b>Progress was made over the reporting period in building institutional capacity to formulate an implement trade related strategies and implementation Plans. In particular, the DTISU process was launched.</b></p> <p>O1.1: Over the reporting period, two staff were added to the NIUC, a national expert and a project administrative assistant. The General Director of Trade at the Ministry of Commerce and Industry Mr Jérémie Banigwaninzigo remains the EIF FP and USAID remains Burundi's DF; the USAID Country Director Mr James Anderson is the contact point for the FP and NIU. In Burundi, there exists a technical level NSC chaired by the FP which met 11 times over the reporting period (monthly), and an in Inter-ministerial Steering Committee which met twice.</p> <p>Capacity building</p> <p>A delegation from Burundi participated in the EIF Capacity Workshop for Southern and Eastern Africa held in Lesotho in March 2011.</p> <p>Outreach</p> <p>Burundi has worked to build up awareness of the EIF programme with outreach activities including mobilising press coverage, alongside sensitisation at other stakeholder fora. There are plans to develop this further with the DTIS validation and Donor Roundtable and through an EIF newsletter, webpage and TV debates.</p> <p>O1.2: Funding for a DTISU (to update the 2003 DTIS and Action Matrix) was approved by the EIF Board in March 2011, and the study launched. To accommodate the PRSP schedule, fact finding started right after the approval of the study. In August 2011 a workshop was held on the potential of service sector exports; the DTISU concept note was only reviewed in September 2011.</p> <p>O1.4: Burundi does not have a trade or export strategy.</p>							



Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan <sup>23</sup>	5	5	5	O2.3: Public-Private Dialogue	5	5	5
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<p><b>Progress was achieved in mainstreaming since Burundi's Cadre Strategique de Lutte contre la Pauvreté II (Strategic framework for poverty reduction II, CSLPII) included trade issues on the basis of preliminary results from the DTISU.</b></p> <p><u>O2.1:</u> In September 2011, a workshop was jointly organised by the secretariat for the CSLPII and the EIF to integrate trade priorities into the CSLPII which was validated at the end of 2011. Since the DTISU was not yet available, the consultations were held on the basis of preliminary results and the DTISU team was available at the consultation workshop.</p> <p>Trade has been integrated into the CSLPII which identifies economic transformation for sustainable growth and employment creation as one of four strategic axes. With respect to trade development, the strategy focuses on agricultural export value addition and diversification of the export base, coupled with infrastructure development to facilitate trade; the CSLPII also makes reference to the DTISU Action Matrix.</p> <p><u>O2.2:</u> Trade is included in the following productive sector strategies: National Strategy for Sustainable Tourism Development 2011-2020 (2011); National Agricultural Investment Plan 2012 – 2017 (2011) which covers the four key export sectors coffee, tea, cotton and quinine.</p> <p><u>O2.3:</u> There is a public sector-private sector-donor coordination group for private sector development which is jointly chaired by USAID and the government; however there is no dedicated public-private sector dialogue mechanisms yet.</p>							
Coordination of AfT (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	N	N	N
O3.2: Frequency of Government-Donor consultation in trade <sup>24</sup>	5	5	5	O3.4: Joint donor initiatives in trade	N	N	N
<p><b>Progress was made by alerting the donor in advance to the DTISU and Action Matrix to ensure that support for its implementation would be included into donor programmes.</b></p> <p><u>O3.2:</u> Trade issues and the EIF are part of the public sector-private sector-donor coordination group for private sector development. Regular meetings were held over the reporting period to consult on donor support for the reform and development programme of the government. In December 2011, the Minister of Commerce, Industry, Post and Tourism presented a progress report on the DTISU to the private sector development coordination group; consultations were held to ensure that the DTISU would be a good basis for operations, and that donors would start programming support for the trade agenda.</p>							

<sup>23</sup> The rating of 5 (unsatisfactory) is self-reported from the country, which reflects the fact that the Cadre stratégique de la lutte contre la pauvreté (CSLP) I, which was still being implemented in 2011, has poor trade mainstreaming; consultations for CSLP II took place in 2011, and trade issues were very much present.

<sup>24</sup> The rating of 5 (unsatisfactory) for government and donor consultations is self-reported from the country. The ES would have given a higher rating owing to the fact that there is frequent government-donor coordination on trade and private sector development issues.

Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	0(0)	0(0)
O4.2: Government budget contribution	N	N	N				
<p><b>Progress has been made to implement the DTIS Action Matrix priorities.</b></p> <p><u>O4.1:</u> Burundi has not yet developed an EIF Medium-term Programme.</p> <p><u>O4.4:</u> A T2 project was identified on the basis of the 2003 DTIS Action Matrix after its priority status was confirmed through a STDF Project Preparation Grant (PPG). The project was developed jointly with the MIE (UNIDO) selected for the project. Furthermore, a call for T2 proposals was launched and a selection undertaken which prioritised three feasibility studies and seven productive capacity building projects for exporters.</p>							
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>							
<p>The MoU between the GoB and UNOPS was signed in May 2010 following the EIF Board approval of the T1 project. This MoU was later amended to reflect the direct covering of the DTIS update by the TFM. While the project had a slow start (mostly to be ascribed to a very slow recruitment process of the NIU), the project is progressing satisfactorily if slowly. DTIS Update is about to be officially completed and 3 T2 proposals have been submitted. Financial reports and narrative reports are up to date.</p>							
<b>IV. OUTLOOK 2012</b>							
<ul style="list-style-type: none"> <li>• Consolidation of the smaller Tier 2 projects into two projects, one for three feasibility studies, one for export support in Q1;</li> <li>• Adding another national expert to the NIU which completes the envisaged staffing;</li> <li>• Participation in the EIF M&amp;E Capacity building workshop in Burkina Faso and subsequent revision of the Tier 1 project logframe;</li> <li>• Submission of the Tier 2 project proposal on SPS issues to the EIF Board in Q2; approval of the project and beginning of implementation in Q3;</li> <li>• DTIS Update Validation workshop in Q3;</li> <li>• Submission of at least one other Tier 2 project to the EIF Board in Q4; approval of the project and beginning of implementation thereafter;</li> <li>• Communications training focused on prioritising efforts and developing joint communications including on upcoming projects.</li> <li>• Development of an EIF MTP in Q4,</li> </ul>							
<b>V. CONTEXT AND OTHER REMARKS</b>							
<p>It should be noted that the Burundi DF (USAID) was the only DF who travelled to participate in the EIF Capacity Building event that took place in Lesotho in March 2011.</p>							

# Cambodia



<b>Project(s)</b> (if applicable)		
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	29-Sep-2009 3-Feb-2010 6-May-2010 2-Feb-2013
<b>Approved budget</b> (if applicable)	US\$894,900.00	Plus US\$15,000 for DTIS update (pending MIE selection)
<b>Financial transfers</b> (if applicable)	NIA Support Transfer made in 2011: US\$164,325.00  Total amount transferred: US\$328,650.00	DTIS/DTIS Update:  US\$ NA  Total amount transferred: US\$ NA
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:  Total expenditure reported:	NIA Support  6 0  US\$205,836.00	DTIS Update:    
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  2 0	DTIS Update:    

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
Per cent share of international non-oil trade	0.03	0.03	
Poverty headcount			
Per capita growth rate	0.087	0.963	6.7
Gini-coefficient		32.1	
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	4200	5030	
Non-oil goods traded diversification			
Logistics performance index	2.5	2.37	
World Bank doing business-trading across countries	139	145	147
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		B L	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	Y	Y	Y
O1.2: DTIS-AM	2008	Y	Y	O1.5: Trade Strategy quality	3 *	3*	3*
O1.3: Fiduciary capacity	4	4	3	O1.6 Trade Strategy implemented	4 *	3*	3*

**NIU structures are in place, staffed, trained and functional.** The NIU is embedded in the Department of International Co-operation (D/ICO) at the Ministry of Commerce (MoC), which is in charge of implementing both EIF and the joint donor Trade Development Support Program (TDSP) programme and is comprised of D/ICO Government officials and contracted staff.

**The NIAs governing trade mainstreaming and AfT coordination are in place.** These include: (i) the Sub-Steering Committee on Trade Development and Trade Related Investment (SSC.TD-TRI or SSC) chaired by the Senior Minister of Commerce and which meets quarterly to provide political guidance and a forum between the Government and development partners (DPs); (ii) the Swap Implementation Committee (IC) meets monthly to provide operational guidance and review project proposals for fund support from TDSP and the EIF; (iii) D/ICO is the Secretariat for both SSC and IC; (iv) the SWAp pillar working groups to implement the roadmap endorsed by IC and SSC. A 2012 fixed annual schedule of meetings was established and approved by the Senior Minister in December 2011.

**Regarding sustainability, the NIU unit has been incorporated in the D/ICO.** The Director of the division (Government staff) has been assigned as NIU Coordinator. As per assessment of the D/ICO, MoC and D/ICO have attached importance to sustainability through the following efforts: (i) empowering existing staff and limiting the recruitment of external consultants and advisers to the minimum and on a need basis; (ii) implementation of a training plan for staff of MoC and relevant line Ministries; (iii) documenting training activities with a set of training materials. Post-training actions are developed together with the training providers (firms or consultants) to ensure that the newly acquired skills and knowledge are put to good use immediately after completion of the training; (iv) an M&E system has been put in place to ensure that the project can be run in an effective and efficient manner, leading to sustainability by the completion of the project; and (v) all consultants and advisers to be recruited by D/ICO in the framework of the EIF project will see knowledge and skill transfers as part of their commitments and outputs in their contracts. Consultants and advisers are embedded into NIU units for a better knowledge and skill transfer. The DTIS is scheduled to be updated in 2012

**Activities undertaken** over the reporting period include: (i) staffing of NIU and recruitment of consultants (ongoing); (ii) participation at the 4<sup>th</sup> UN Conference on LDCs in Istanbul; (iii) six capacity-building courses delivered to NIU staff and officials of MoC and provincial departments; (iv) development of two Tier 2 projects (ongoing); and (v) development of a promotion and communication strategy and relevant tools.

Delegations from Cambodia participated in the following EIF related international/regional events: 3<sup>rd</sup> Global AfT review, Geneva; workshop on Project Development in Tourism for LDCs, Geneva; Cambodia WTO Trade Policy Review, Geneva; 8<sup>th</sup> WTO Ministerial Conference, Geneva.

Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	2*	2*	2*	O2.3: Public-Private Dialogue	1	1	1
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<p><b>Trade is included in the National Strategic Development Plan Update (2009-2013)</b> under the "Overarching Environment for the Implementation of the Strategy", as well as the main thrust of Growth Rectangle #3 on Private Sector Development.</p> <p><b>The Government-Private Sector Forum (G-PSF)</b> includes an "Export Processing and Trade Facilitation Working Group".</p> <p><b>Cambodia has recently revised its communications strategy</b>, building on efforts made to date in showcasing results under the EIF and sharing lessons learned with other LDCs. As part of the Trading Stories project, an EIF communications session chaired by the Vice-Minister discussed using Cambodia's strategy to help support delivery of the programme. One of the ways that Cambodia is using to share information and best practices is through its Aft website (<a href="http://www.moc.gov.kh/tradeswap/">http://www.moc.gov.kh/tradeswap/</a> in both English and Khmer) and Trade Sector Wide Approach (Trade SWAp) newsletter to reach local partners and stakeholders on the ground. Cambodia also features in the EIF country Profile series, now available in English and French. The team is planning to build up its communications resources to deliver the strategy.</p> <p><b>The Tier 1 project included the creation of liaison officials and awareness-raising on the EIF in Line Ministries.</b></p>							
Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	1	1	1	O3.4: Joint donor initiatives in trade	Y	Y	Y
<p><b>Cambodia's Trade SWAp was put in place in 2007 to address the priorities identified in the Cambodia Trade Integration Study (CTIS) 2007</b> through a three pillar-approach: Pillar 1 focuses on cross-cutting legal and institutional reforms; Pillar 2, on developing the 19 potential export sectors identified in the CTIS 2007; and Pillar 3, on developing capacity for trade policy formulation and Aft management. The priority areas identified by the three Pillars have been consolidated in the newly launched document: "Trade Sector Wide Approach: Three Pillars Road Map", which is scheduled to be approved by the Royal Government of Cambodia in March 2012. The SSC-TD-TRI meets periodically in addition to informal meetings between MoC and DPs.</p> <p>Cambodia's projects under Trade SWAp Pillar 1 receive key funding from the TDSP which is administered by the World Bank and funded through a multi-donor trust fund established by the EC, DANIDA and UNIDO. Pillar 1 is also receives support from USAID and ADB in certain areas of legal reform, the World Bank, AusAid, JICA, IMF in trade facilitation and customs reform, ADB, UNIDO, NORAD in areas of Standards and SPS, and other donors as well. Pillar 3 receives primary support from TDSP and from EIF Tier 1.</p> <p>Operational procedures, templates and processes have been streamlined, documented and practiced for both EIF and TDSP programmes in 2011;</p> <p>The Tier 1 project supported the development of Cambodia Aft Case Stories and country profile for the 3rd Global Review of Aid for Trade.</p>							

Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	2	2	2	O4.4: Number and amount of projects funded from DTIS-AM	1 (18.35)	1 (1.5)	1 (3.1)
O4.2: Government budget contribution	N	N	N				
<p>A Medium-Term Programme is available in the form of the Roadmap.</p> <p>EIF Tier 1 and the TDSP, supervised by the World Bank, planning and reporting got aligned and harmonized (joint work plan, budget plan and procurement plans; consultants working on both projects).</p>							
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>							
<p>The delay in recruiting EIF-funded staff and procurement of some equipment contributed to the slow progress in 2011. However, by the first quarter of 2011, the recruitment was completed, and procurement is nearing completion.</p> <p>Government procedures are being followed satisfactorily. One audit report (up to end 2010) has been submitted, which was a clean report.</p> <p>A financial management software package is being applied. Records are satisfactorily maintained.</p> <p>Since the NIU is also implementing the TDSP project supervised by the World Bank, harmonization between the TDSP and the Tier 1 project received due attention.</p> <p>The TFM conducts regular supervision missions. After the March 2011 supervision mission, there had been significant improvements in implementation, including in pursuing the recommendations.</p>							
<b>IV. OUTLOOK 2012</b>							
<p>The work plan of the NIU in the second half of 2012 will focus on (i) undertaking an DTIS Update; (ii) rolling out a trade mainstreaming capacity-building module with UNDP; (iii) undertaking an independent Trade SWAp review, including the development of a Medium-term Plan to review current funding gaps; (iv) rolling out the training plan; and (v) implementation of the Tier 2 project CEDEP I and finalization of CEDEP II.</p> <p>The ES/TFM support for Cambodia will focus on following up on the achievement of the Tier 1 benchmarks; finalization, appraisal, approval, start-up and implementation of the Tier 2 projects, as well as appreciating overall progress made in the TDSP implementation in particular and the Trade SWAp implementation in general.</p> <p>According the D/ICO, the MoC decided that as from 2012, all support functions to the intergovernmental machinery and NIAs (meetings of IC, SSC, line Ministries, MoC-DP meetings, Exchange Programme with other NIUs) will be transferred to the EIF project from the TDSP.</p> <p>The SWAp Road Map is scheduled to be approved by the Royal Government of Cambodia in March 2012.</p> <p>The Government plans to assess progress against the Trade SWAp Road Maps and KPIs and to update the Road Maps in conjunction with Cambodia's forthcoming update of its DTIS planned for the second half of 2012.</p> <p>The Tier 2 project on "The Cambodia Exports Diversification and Expansion Program I" (CEDEP I) focuses on strategic rice and high-value silk sectors, which is derived from 19 sectors identified in the CTIS 2007, was submitted to the ES and the TFM for review and appraisal, with a planned submission date to the EIF Board of mid-2012;</p> <p>A second Tier 2 on "The Cambodia Exports Diversification and Expansion Program II" (CEDEP II), with focus on other products and services considered under CTIS 2007 and Trade SWAp Pillar 2 is under</p>							

development.

#### **V. CONTEXT AND OTHER REMARKS**

Even though the implementation of the Tier 1 project is behind schedule, significant momentum has been gained within the NIU during the second half of 2011 and early 2012. During the reporting period, an evaluation mission of the World Bank took place from 5 to 21 December 2011 and rated the implementation progress of the TDSP as satisfactory with positive observations about the transparent management of funds under the Trade SWAp, including the EIF by the MoC and D/ICO. TDSP and the EIF Tier 1 project have been harmonized to the extent possible. A Trade Policy Review was undertaken in 2011.

# Cape Verde



<b>Project(s)</b> (if applicable)		
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	23 November 2011 15 December 2011 20 December 2011 31 December 2013 * To be amended after operational extension of UNOPS mandate as TFM
<b>Approved budget</b> (if applicable)	US\$1,100,000	Including US\$200,000 for a DTIS update (MIE TBD)
<b>Financial transfers</b> (if applicable)	NIA Support Transfer made in 2011: US\$150,000.00  Total amount transferred: US\$150,000.00	DTIS/DTIS Update:  US\$  Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:  Total expenditure reported:	NIA Support  Not applicable  US\$	DTIS Update:   
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  Not Applicable	DTIS Update:

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
Per cent share of international non-oil trade	0.00	0.00	
Poverty headcount			
Per capita growth rate	3.566	5.41	5.6
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	35	45	
Non-oil goods traded diversification			
Logistics performance index			
World Bank doing business-trading across countries	147	142	132
Employment in non-traditional export sectors			
SMEs registered for import and export trade			



II. RESULTS							
OUTCOME INDICATORS AND RESULTS							
Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N	N	N
O2.1: DTIS-AM	2008	Y*	Y*	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity			2	O1.6: Trade Strategy implemented	5	5	5
<p>EIF activities in Cape Verde were delayed due to staffing bottlenecks, including the recruitment of a new NIU Coordinator.</p> <p>In line with country procedures, a committee was formed and juried on the selection process of the candidates. All members of the NIU (Coordinator, Administrative Assistant, Driver, Financial Officer) are expected to be in place since early 2012.</p> <p>As the NSC and the appointment of the FP were done at the beginning of 2011, the Ministry is organizing a meeting of the NSC for January 2012 and is making progress on the implementation of the project, notably the restructuring of the NSC to include women and consumer associations and the Chamber of Commerce representing the private sector.</p> <p>As indicated above, the staffing of the NIU was planned to be concluded in early 2012.</p> <p>There are no known results on trade streaming during this reporting period.</p>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	3	3	3	O2.3: Public-Private Dialogue <sup>25</sup>	1	1	1
O2.2: Trade in Productive Sector Strategies	N	N	N				
<p>The current development and formulation of a Tier 2 on the topic of Tourism supply chains has been set as a priority by the country's National Steering Committee, after having discussions and deliberations of the NSC. These discussions encompassed the inclusion of cross-sectoral issues, such as gender and trade. In that vein, there has been evidence of trade mainstreaming in Government initiatives beyond the EIF.</p>							
Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O4.3 UN CEB activities based on DTIS-AM	N	N	N
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade	N	N	N
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	1	1	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	0(0)	0(0)
O4.2: Government budget	N	N	N				

<sup>25</sup> The ES would rate this indicator at a 2.

contribution													
<p>At the behest of the Government, the UN representative in Cape Verde assigned a UNDP coordinator to garner interagency efforts in the country. The UNDP Resident Senior Country Economist currently holds this position. These recent coordination activities will have to be monitored for their impact on individual project initiatives in the country.</p> <p>The NIU Coordinator and other Government officials are gauging interest from development partners present in the country.</p> <p>Consensus among partners is that the Action Matrix is not sufficiently detailed to adequately direct activities. There is therefore an eagerness to accelerate the DTIS Update and for the updated Action Matrix to complement the recommendations of the earlier DTIS by offering targeted direction and implementable solutions.</p>													
<p><b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b></p>													
<p>The first disbursement to the project was made on 20 December 2011, five days after the signing of the MOU.</p>													
<p><b>IV. OUTLOOK 2012</b></p>													
<p>The Tier 1 project budget will be revised as recommended during the approval of the proposal.</p> <p>Discussions surrounding the development of Tier 2 proposals were undertaken by the Committee. UNDP has produced a concept note conjuring potential Tier 2 proposals presented to the NSC. It is expected that deliberations on potential Tier 2 projects will resume mid-2012 through deeper consultations with private sector and governmental partners, while the current concept note addresses sustainable tourism.</p> <p>The outlook for 2012 and 2013 is positive. A facilitation mission will be carried out by the ES and the TFM during the 3<sup>rd</sup> quarter of 2012 in order to assist the newly established NIU in the launching of the project activities. The Government of Cape Verde has expressed its preference for national implementation of the DTIS Update in 2012 and intends to closely align this with the development and recommendations of the PRSP III. The Government of Cape Verde has expressed the desire to develop Tier 2 projects, including a quality control institute.</p>													
<p><b>V. CONTEXT AND OTHER REMARKS</b></p>													
<p>Agencies, both in Geneva and in Praia, have been seeking clarification on types and forms of EIF funding. This has been clarified with UN staff in-country and in headquarters.</p> <p>Partners in Praia have expressed some concern about the diminishing presence of Donors in CV in light of the global economic climate together with CVs status as a graduated country. As such the partners consider the EIF an important mechanism for advancing CVs trade agenda and have expressed a desire for prolonged engagement of the EIF in Cape Verde.</p>													

# Central African Republic



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update	
<b>Project dates</b> (if applicable)	Board Approval:	12-May-2010
	MoU Signature:	26-May-2010
	First Transfer of Funds:	13-Jul-2010
	MoU Expiry:	25-May-2013
<b>Approved budget</b> (if applicable)	US\$900,000	Plus US\$100,000 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS Update (pending MIE)
	Transfer made in 2011: US\$250,000.00	US\$
	Total amount transferred: US\$450,000.00	Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable)	NIA Support	DTIS Update:
No. of FRs Received:	5	
No. of FRs Pending:	0	
Total expenditure reported:	US\$414,467.00	
<b>Technical reports (TR) received</b> (if applicable)	NIA Support	DTIS Update:
No of TRs Received:	2	
No of TRs Pending:	0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
Per cent share of international non-oil trade	0.00	0.00	
Poverty headcount			
Per capita growth rate	1.7	3.3	4.1
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	120	140	
Non-oil goods traded diversification			
Logistics performance index			
World Bank doing business-trading across countries	183	182	182
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.4: Trade strategy updated	Y	Y	Y
O1.2: DTIS-AM	2007	Y	N	O1.5: Trade Strategy quality	2	2	2
O1.3: Fiduciary capacity	0	3	3	O1.6: Trade Strategy implemented	3	3	3

**Significant progress was made over the reporting period in building institutional capacity to formulate and implement trade-related strategies and implementation plans. In particular, an EIF capacity building and outreach plan was validated, and implementation started. Also, the DTISU process was started.**

O1.1: Over the reporting period, one staff member (Communications Officer) was added to the NIU; the NIU is now complete. The incumbent FP left the Ministry and was replaced as EIF FP by Mr Jacques Mboligassie, the Director of Cabinet at the Ministry of Trade and Industry; the EU remains CAR's DF. The NSC met on a quarterly basis.

#### Outreach and capacity building

Over the reporting period, the NIU developed and validated an EIF outreach and capacity-building plan (January 2011) and started implementation. Members of the NIU and other staff of the Ministry of Commerce and Industry participated in capacity-building measures in trade mainstreaming, AfT, project management, and trade and poverty reduction. For outreach, the priority was to strengthen ownership of the EIF programme by key stakeholders (members of the NSC, private sector and civil society); other capacity building addressed import-export procedures, project conception, development and management, implementing trade strategies, competition and consumer protection, results-based management and gender mainstreaming.

The NIU also supported the Government in its preparation for the services section of the Economic Partnership Agreement (EPA) negotiations with the EU through preparing the CEMAC-wide negotiation meetings.

O1.2: An MIE for a DTISU to update the 2007 DTIS and Action Matrix was identified (UNDP), and a workshop was held in September 2011 to evaluate the DTIS Action Matrix implementation, to identify lessons learnt and areas for further study in the DTISU. Jointly with the MIE, the TOR, budget and timetable for the DTISU were elaborated and will be submitted for approval in early 2012.

O1.4: CAR has an export strategy (elaborated with support by ITC) which is currently being implemented.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	2	2	2	O2.3: Public-Private Dialogue	2	2	2
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				

**Progress was achieved in mainstreaming since CAR's Document Stratégique pour la Réduction de la Pauvreté II (Strategic document for poverty reduction II, DSRPII 2011-2015) includes trade issues on the basis of the 2007 DTIS and a 2011 mainstreaming study.**

O2.1: A study on mainstreaming trade into development policies in CAR was validated (April 2011), and following the recommendations of this study, the FP and NIU participated in elaborating the DSRPII 2011-2015; specifically, trade-related issues were integrated into the following sections: investment climate, promotion of growth sectors, basic infrastructure development and regional

integration.							
<b>Coordination of Aft (Outcome 3)</b>							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade	Y	Y	Y
<p><b>Some progress was made in coordination of AFT by including trade priorities for a round table meeting.</b></p> <p>O3.2: Trade issues were presented in a round table meeting in Brussels in June 2011 where DSRPII 2011-2015 was presented to the donors for their support.</p>							
<b>Action Matrix Implementation (Outcome 4)</b>							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	3	3	3	O4.4: Number and amount of projects funded from DTIS-AM	0 (0)	1 (0.26)	3 (0.88)
O4.2: Government budget contribution	Y	Y	Y				
<p><b>Activities to implement the DTIS Action Matrix have progressed.</b></p> <p>CAR has not yet developed an EIF Medium-term Programme.</p> <p>Following an EIF/STDF training on project development in August 2011, a project document addressing the value chains of priority export sectors (sesame, palm oil and corn) was conceived and advanced over the reporting period. The NIU also started project preparation for an SPS-related project with the support of the STDF.</p>							
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>							
Two supervision missions were undertaken in June and December 2011. During these missions, the TFM assisted the Ministry of Commerce and Industry in drafting the Tier 2 proposal.							
<b>IV. OUTLOOK 2012</b>							
<ul style="list-style-type: none"> <li>• Approval of the DTISU in Q1 of 2012 and start of the work thereafter; Medium-term programme to be formulated once DTISU and Action Matrix are validated;</li> <li>• Finalization and approval I of the Tier 2 project proposal on priority sectors by the EIF Board in Q3.</li> <li>• Participation in the EIF M&amp;E Capacity-Building Workshop in Burkina Faso in Q2 of 2012 and subsequent revision of the Tier 1 project logframe, work plan and budget;</li> <li>• Formulation of a Tier 2 project proposal to support SPS compliance infrastructure in CAR;</li> <li>• Finalization of the DTISU in Q4; validation workshop and formulation of a MTP thereafter in 2013.</li> </ul>							
<b>V. CONTEXT AND OTHER REMARKS</b>							
CAR's FP is one of the three LDC Representatives on the EIF Board.							



<b>Project(s)</b> (if applicable)	NIA Support		
<b>Project dates</b> (if applicable)	Board Approval:	9-Jun-2011	* To be amended after operational extension of UNOPS mandate as TFM
	MoU Signature:	22-Jul-2011	
	First Transfer of Funds:	29-Jul-2011	
	MoU Expiry:	31-Dec-2013	
<b>Approved budget</b> (if applicable)	US\$900,000.00	Plus US\$200,000.00 for DTIS Update and US\$254,410 for ITA Support (approved on 17-Nov-2011 for UNOPS implementation)	
<b>Financial transfers</b> (if applicable)	NIA Support – No transfer made for DTIS Update and ITA support during the reporting period		
	Transfer made in 2011: US\$150,000.00		
	Total amount transferred: US\$150,000.00		
<b>Financial reports (FR) received</b> (if applicable)	NIA Support		
	No. of FRs Received:	1	
	No. of FRs Pending:	0	
Total expenditure reported:	US\$94,606.00		
<b>Technical reports (TR) received</b> (if applicable)	NIA Support		
	No of TRs Received:	1	
	No of TRs Pending:	0	

#### I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
Per cent share of international non-oil trade	0.03		0.03
Poverty headcount			
Per capita growth rate	-1.6	2.5	-1.6
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	2800		2800
Non-oil goods traded diversification			
Logistics performance index	1.98		1.98
World Bank doing business-trading across countries	178	183	178
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N*	N	N
O1.2: DTIS-AM	2006	N	N	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity			3	O1.6: Trade Strategy implemented	5	5	5
<p><b>O1.1</b> The NIU is partially staffed (the NIU Coordinator and the support staff were in place in the 2<sup>nd</sup> half of 2011). Some outreach activities were implemented and the first draft for the DTISU TOR formulated. The recruitment of the International Trade Adviser (ITA) authorized by the EIF Board is underway. The two national experts will be recruited after the ITA is in place as indicated in the EIF Board recommendation in approving the Tier 1 project.</p> <p><b>O1.2:</b> The DTISU is contained in the Tier 1 project work plan and is scheduled to be launched in 2012.</p>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	3	3	3	O2.3: Public-Private Dialogue	2	2	2
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<p><b>O2.1</b> Trade was integrated in the last PRSP (2008-2011) in the Pillar "Creating an environment favorable to a robust and diversified economic growth" by focusing on consolidating trade integration and promoting regional cooperation. The strategy will be revised in 2012 and the NIU expected to enhance trade mainstreaming and as much as feasible align the DTISU calendar to the National Development Plan process.</p> <p><b>O2.2</b> Trade is integrated into agriculture, livestock and tourism in the last PRSP.</p> <p><b>O2.3</b> Public-Private Dialogue is ongoing within the "Forum pour le Dialogue Etat-Secteur Privé" (FODEP) established in 2007 and with the Chamber of Commerce</p>							
Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade	N	N	N
<p><b>O3.1:</b> There is currently no annual joint sector reporting on trade issues between the Government and donors. However, since July 2011, development partners in-country have adopted a Matrix on ODA received by Chad but not specifically targeted on trade. Donor dialogue with the Government is constrained by the limited collaboration between the IMF and the Government on macro-economic issues.</p>							
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	6 (55.6)	2 (23.5)	1 (3)
O4.2: Government budget contribution	N	N	N				
<p><b>O4.1</b> As indicated in the comments on O2.1, the PRSP 2(2008-2012), which is a medium-term plan, has put emphasis on consolidating trade integration and regional cooperation. In this context, the PRSP can be considered as a medium-term programme with a trade component.</p> <p><b>O4.4</b> One project worth US\$6 million has been financed from the DTIS-AM</p>							

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

The TFM finalized its capacity assessment for the approval of the Tier 1 proposal in June 2011 and was able to sign the MOU with the Government in July 2011. A first disbursement was made to facilitate the implementation of project activities.

### IV. OUTLOOK 2012

Extension of the MOU following extension of UNOPS operational mandate;  
Finalization of the recruitment of the ITA by UNOPS and recruitment by the NIU of the two national expert positions.  
Participation in the EIF Regional Workshop on M&E in 2012.  
Participation of the Ministry/NIU in the revision of the National Development Strategy in 2012.  
Start-up of the DTISU with the support of UNDP as MIE.  
Initial preparation of a Tier 2 project in agriculture and/or "hide and skins"

### V. CONTEXT AND OTHER REMARKS

The NIU is in place and staffed with a Coordinator, an Administrative Assistant, a Financial officer and a Driver. The implementation of the Tier 1 project has made progress. Many activities have been implemented on outreach, finalization of the TOR for the DTISU, and finalization and advertisement of the TOR for the recruitment of two national professional staff. The recruitment of the International Trade Adviser will be undertaken through UNOPS/SWOC in the first quarter of 2012, with local experts recruited in Q3 2012. The NIU participated in the UN-LDC IV event in Istanbul in May 2011, in the 3<sup>rd</sup> Aid for Trade Global Review at the WTO in July 2011 and the 8<sup>th</sup> WTO Ministerial Conference in December 2011 in Geneva.





<b>Project(s)</b> (if applicable)	Tier 1 – NIA Support (UNDP implementation)	
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	10-Jan-2011 16-Mar-2011 29-Mar-2011 31-Dec-2013
<b>Approved budget</b> (if applicable)	US\$900,000	Plus US\$200,000 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS/DTIS Update:
	Transfer Made in 2011: US\$300,000.00  Total amount transferred: US\$800,000.00	US\$200,000.00  Total amount transferred: US\$200,000.00
<b>Financial reports (FR) received</b> (if applicable)  No. of FRs Received: No. of FRs Pending:	NIA Support	DTIS Update:
	Number: 1 Number: 1	
Total expenditure reported:	US\$164,880.34	
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support	DTIS Update:
	Number: 1 Number: 1	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	2	2	2
Per cent share of international non-oil trade	0.00		0.00
Poverty headcount			
Per capita growth rate	1.81	2.2	1.81
Gini-coefficient			
Purpose Indicators			
Value of non-oil goods traded (US\$ mil)	13		13
Non-oil goods traded diversification			
Logistics performance index	2.48		2.48
World Bank doing business-trading across countries	153	159	153
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.3: Trade strategy updated	N	N	N
O1.2: DTIS-AM	2007	Y	N	O1.4: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity	0	0	4	O1.5: Trade Strategy implemented	5	5	5

The NIA is very involved in the implementation through the presence of the Minister as FP, the National Director and the Chair of NSC on the decision of the Government. The NSC includes three high-level Ministry of Trade representatives: the Minister, the Director of Trade and the Director of the Economic Affairs. As the National Director of the NSC, the Minister authorizes all expenditure based on the annual work plan, and a quarterly report is regularly sent to the NSC. These two processes mean to ensure the complete involvement of the NIA in the implementation of the Tier 1 project. In addition to this, the DTISU structure schedules a supervision organ under the authority of the Ministry. Trade strategy formulation is conducted by the Ministry of Trade with the technical support of the NIU.

A capacity-building plan will be formulated on the basis of a needs assessment of all trade-related institutions with the support of UNDP Geneva. In the meantime, capacity-building measures are implemented by the NIU through several training workshops, seminars and missions to exchange the experiences and good practice within the framework of the South-South cooperation in Tanzania, Indonesia, Mauritius and Seychelles.

The NIU started its work with a team of seven people, including a driver and two watchmen. One project specialist will be recruited this year, one monitoring specialist and one resource mobilization staff will be recruited next year. The NIU has integrated three highly qualified trainees from the universities during the period.

Activities included providing equipment for the WTO service, organization of training workshops and seminars and exchanges of experiences and good practice within the South-South cooperation framework (Tanzania, Mauritius, Seychelles and Indonesia) around the following themes: implementation of the EIF, the competition legal framework, trade regulation in the small insular economies similar to Comoros and the accession process to WTO.

- Decisive steps taken towards improvement of the trade policy framework by:
  - Completion of a draft competition law by the trade policy specialist of the NIU; submission to UNCTAD for advice in finalizing the law and related implementation instruments; and
  - Launching of technical assistance by UNCTAD on the national trade policy based on the TOR elaborated by the NIU. Draft document expected in November 2012.
- Improved access to the opportunities of technical assistance and other support available through bilateral trade agreements and regional arrangements (COMESA FZA and CU, SGP, etc.).
- Inclusiveness of trade policy formulation enhanced by:
  - Engagement of stakeholders in workshops and seminars with national resource persons and the technical assistance of WTO and UNCTAD on (i) the compatibility between the multilateral, COMESA and EPA frameworks; (ii) the multilateral system; and (iii) the modalities of the accession to WTO;
  - Training of 30 persons from the private sector on project formulation and management;
  - Assistance to private sector support institutions provided; and
  - Leverage of South-South cooperation opportunities – e.g., exchange of experiences between the national ylang oil stockholders' association with its counterparts in Indonesia on many products to identify opportunities for product diversification and technology

transfer.

**O1.2:** The TOR and the Concept Note for the DTIS are written and will be shared with the parties before their adoption in 2012. The effective update work will start in 2013, taking into account the evaluation of the PRSP and the extension of the new programming period beyond 2014.

**O1.4:** Comoros does not have a trade strategy. However, the NIU contributed to put together a concept document this year. TOR were shared with UNDP and UNCTAD. The technical assistance of UNCTAD is required to support the NIU in order to elaborate the trade policy paper. The work is in progress. The trade strategy will be validated around November 2012.

**O1.6:** In the absence of a trade strategy, the implementation of the trade policy is based on the 2007 DTIS and the programmes of the strategic axes 1 and 2 of the PRSP 2010-2014 dedicated to the trade and the private sector priorities include three productive sectors and three sub-sectors.

During the implementation, the project was the object of three assessments: one with UNDP/UNOPS/ES in October 2011, one in the framework of the global assessment of the UNDP offices and the third one with the UNDP NIM project audit. All assessments were positive about the execution of the project.

### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	2	2	2	O2.3: Public-Private Dialogue	5	5	5
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				

**O2.1:** Trade is now included in the national development plan (PRSP 2010-2012).

The PRSP trade-related areas concern the strategic axes 1 and 2:

Strategic Axis 1:

- Programme 1.2 – Integration and facilitation of the domestic and external trade, including five sub-programmes or activities contributing to realize the programme.

Strategic Axis 2:

- Programmes 2.1 and 2.2 (nine programmes) covering three sectors: (i) enhancing the private sector; (ii) recovering growth through the growth sectors within two sub-sectors: agriculture/breeding, fishery; and (iii) tourism. The nine programmes of Strategic Axis 2 include 21 sub-programmes or activities contributing to realize the programme. An action plan was put together based on the implementation of the PRSP 2011.

The EIF programme provides the main support mechanism for leading implementation of the PRSP components aimed at sustaining long-term growth, employment and income generation for the population, including through the revitalization of key sectors, such as tourism and agro-processing.

Communities in the three islands are sensitized to the role of trade in development and the importance of national appropriation in the context of the aid effectiveness agenda.

**O2.2:** The main productive sectors (tourism, agriculture/breeding and fishery) have sectorial strategies that need to be updated and take into account the trade-related dimension.

**O2.3:** The Public-Private Dialogue suffered from the absence of an institutional framework, but informal discussions and meetings are taking place.

- The project will plan a joint activity with the IFC project dedicated to involving the business entities to contribute to the elaboration and implementation of an institutional framework;

- The Government had implemented a national forum for the development of trade policy conceived as an inter-sectoral organ to build consensus on trade issues, to have discussions on this objective and to elaborate studies and analyses to identify the different perspectives, and elaborate the recommendations and guidelines for the Government.

#### Outreach

To broaden its stakeholder outreach, there have been exchanges with the NIU and the UNDP office in Comoros on how to use different communication channels to effectively engage stakeholders. An event on supporting Comoros to integrate into the multilateral trading system through AfT and the EIF will be held by the Government during UNCTAD XIII in 2012. Discussions are underway on deepening partner information flows through website development, learning lessons from other EIF countries and developing a communications strategy to give visibility to AfT, and the added value of the EIF.

#### Coordination of AfT (Outcome 3)

	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade	Y	Y	Y

- **O3.1:** One sectorial report by year within the monitoring and assessment of the PRSP.
- The basis of AfT coordination has been established between the NIU/Ministry and France as the DF for the EIF. France plays an active role in supporting the Government efforts to mainstream trade, mobilize resources and WTO accession. There is coordination between the FP in the French Embassy in Comoros and the French delegation at the WTO in Geneva.
- The UN Resident Coordinator in Comoros ensures the coordination of the UN system in the country and promotes coordination and dialogue with other development partners around national development priorities as reflected in the PRSP. The final PRSP (2010-2014) foresees an institutional monitoring framework, including a Strategic Committee of the Development Aid Coordination, chaired by the President of The Union of Comoros. This framework includes trade-related priorities.
- Aid absorption capacity is enhanced for the Tier 1 project, at around 90 per cent against 40 per cent for the national average
- Steps are being taken to enhance aid management capacities, including AfT by building synergies between ongoing support by UNDP on aid effectiveness and the Tier 1 project focused on AfT.
- Production of project sheets by national stakeholders provide the basis for alignment and coordination.
- Relay of Information, actions and feedback occurs through the DF.
- The framework of the Assessment Committee evaluates Tier 2 projects.

#### Action Matrix Implementation (Outcome 4)

	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	9 (0)	2 (0)	0 (0)
O4.2: Government budget contribution	N	N	N				

Implementation of DTIS Action Matrix priorities focused on five pillars: tourism, export products, private sector support, multilateral and regional trade negotiations support and support to fruits and other food products.

A draft of the Medium-term Programme (MTP) is available in 2012 with the support of the ES.

The MTP will be adopted by the Government and will be submitted to the EIF Board for the Tier 2 projects; then to the next round table, which will be held before the end of the year 2012.

The Government budget contribution concerns the salaries of national resource persons' work in the implementation of the projects, excluding the implementation unities to the value of approximately US\$450,000.

19 projects are linked to the DTIS-AM, including Tier 1: two projects; Tier 2: two projects; and STDF project. Fifteen (15) projects will be submitted to the round table and integrated into the MTP for a total of US\$15.8 million.

Other contributions consist in supplies in nature: business premises, electricity, vehicles, land telephone charges and wifi connexion, etc.

Enhanced AfT resources for Comoros through many sectoral projects/interventions by donors and other partners, including the mobilization of funds for projects. For example:

- -The ITC Senior Management Committee had allocated US\$50,000 as additional resources to finalize a Tier 2 project focusing on enhancing the competitiveness of three Comorian products for export. The project estimated budget is US\$1 million.
- Technical assistance by UNWTO and ITC mobilized for the formulation of a Tier 2 project on ecotourism for US\$1 million.
- Support by STDF for the formulation of a project aimed at enhancing the capacity of entities in charge of the implementation of sanitary and phyto-sanitary measures in Comoros for US\$1 million.

### **III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

Further to the UNDP/UNOPS MOU signed in March 2011 for the implementation of the project, a first funds transfer was made in March 2011, followed by a second one in November 2011.

### **IV. OUTLOOK 2012**

- Continued sensitization of high-level political officials – President and Vice-President in charge of economy, finance, trade, privatisation and investments – by the NIU to raise awareness about AfT through the EIF programme with the purpose of mobilizing their support to the EIF implementation, vision and perspectives.
- Full implementation of the communications strategy to promote the visibility of the AfT implementation in Comoros.
- Implementation of the training plan for the NIU.
- Updating of the plan for the transfer of competencies from UNDP to the NIU.
- Recruitment of a resource person for the NIU for the position of projects specialist as planned in the project document.
- Completion of the trade and competition policies framework.
- Launching of WTO accession negotiations.
- Development of an MTP around trade-related priorities anchored in the PRSP.
- Organization of a donor round table to mobilize funds for implementation of the MTP.
- Launching of development of a database on ODA to enhance aid management and coordination. The database includes AfT support to Comoros. The initiative builds synergies between ongoing

UNDP support on aid effectiveness and the EIF Tier 1 project.

- Access to Tier 2 resources with one project (either export products competitiveness or eco-tourism).
- Implementation of a project to enhance capacities of entities in charge of the implementation of sanitary and phyto-sanitary measures in Comoros with STDF fund resources.
- Securing additional funds for a project with EU-EDES Programme for the skill development of the food security sector.
- Evaluation on the successes, constraints and perspectives of the DTIS Action Matrix priorities to take place in the second half of 2012. After the evaluation process, a committee including key stakeholders will be nominated to implement the recommendations and guide the process for the DTISU in 2013.

## **V. CONTEXT AND OTHER REMARKS**

At the beginning of the Tier 1 project, at the end of April 2011, corresponded to the general elections in Comoros and marked the third democratic transition, consolidating the stability and the democratic anchorage after a long period of instability after the country gained independence.

The continuity of the process of the development around the agenda contained in the main frameworks, such as the PRPS, the DTIS and the MGOs, is assured by the new authorities enhancing the confidence and the credibility of the country and the Government.

The Government continues to mobilize the non-traditional donors as new contributors to the flux of aid to development, particularly the Arab Gulf countries through a Doha Conference held in 2010 on the economic development and the investments within an important portfolio of projects in all sectors, including certain projects related to trade.

The DTISU will be undertaken in 2013, taking into account the evaluation of the PRSP next year, its extension beyond 2014 and the necessity for the new DTIS to realign itself to the new framework.

# Democratic Republic of the Congo



Project(s) (if applicable)	NIA Support	Pre-DTIS (CLOSED)	DTIS (CLOSED)
<b>Project dates</b> (if applicable)	Board Approval: 31-May-2011 MoU Signature: 22-Jul-2011 1st Transfer of Funds: 28-Jul-2011 MoU Expiry: 31-Dec-2013* * To be amended after operational extension of UNOPS mandate as TFM	15-Jan-2010 27-Apr-2010 30-Apr-2010 30-Jun-2011	8-Oct-2008 22-Dec-2008 23-Jan-2009 30-Jun-2011
<b>Approved budget</b> (if applicable)	NIA Support US\$900,000 Plus US\$400,000.00 for DTIS (closed), US\$50,000.00 for pre-DTIS (closed) and US\$252,520.00 for ITA Support (approved on 31-May-2011 for UNDP implementation, which started in 2012)		
<b>Financial transfers</b> (if applicable)	<b>NIA Support</b>	<b>Pre-DTIS</b>	<b>DTIS:</b>
Transfer made in 2011:	US\$150,000.00	US\$10,000.00	US\$0.00
Total amount transferred:	US\$150,000.00	US\$50,000	US\$400,000.00
<b>Financial reports (FR) received</b> (if applicable)			
No. of FRs Received:	0	1	
No. of FRs Pending:	0	1	
Total expenditure reported:	US\$21,588	US\$49,791.00	
<b>Technical reports (TR) received</b> (if applicable)			
No of TRs Received:	0	1	1
No of TRs Pending:	0	0	0

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
Per cent share of international non-oil trade	0.02		0.02
Poverty headcount			
Per capita growth rate	2.8	5	2.8
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	3100		3100
Non-oil goods traded diversification			
Logistics performance index			

World Bank doing business-trading across countries	179	175	179				
Employment in non-traditional export sectors							
SMEs registered for import and export trade							
<b>II. RESULTS</b>							
<b>OUTCOME INDICATORS AND RESULTS</b>							
<b>Institutional Capacity (Outcome 1)</b>							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	0	2010	Y	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity	0	0	4	O1.6 Trade Strategy implemented	5	5	5
<p><b>O1.1:</b> The DRC joined the EIF programme in 2007 and prepared a DTIS with the World Bank as the Main Implementing Entity. The DTIS was validated and approved by the Government in 2010. The Ministry of Trade thereafter submitted a pre-DTIS proposal to support the newly created NIAs, which was approved by the EIF Board in 2010. A Tier 1 project document was submitted to the EIF Board in May 2011 and approved in July 2011. The following activities were implemented in 2011 through the pre-DTIS project: (i) sensitization of the NIAs in Kinshasa and regional districts; (ii) exchange visit to Benin of NSC and NIU members; and (iii) preparation and approval by the Board of the Tier 1 project.</p> <p>The NIU is not fully operational. Apart from the NIU Coordinator, the rest of the staff still has to be recruited. The ITA also has to be recruited. The Ministry has been experiencing a series of changes due to the political context.</p> <p><b>O1.2</b> The DTIS was validated in 2010 and is up to date. Once the NIU is operational, it will be in a position to start implementing some priorities contained in the DTIS Action Matrix.</p>							
<b>Mainstreaming (Outcome 2)</b>							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	5	1	1	O2.3: Public-Private Dialogue	1 <sup>26</sup>	1	1 <sup>27</sup>
O2.2: Trade in Productive Sector Strategies	N	Y	Y				
<p><b>O12.1:</b> Trade has been mainstreamed in the Growth and Poverty Reduction Strategy (GPRS). On trade mainstreaming, the NIU with the support of the EU (DF) contributed to the preparation of the GPRS 2011-2015 of DRC. A workshop was funded by the DF, to which the core Ministries participated with the view of integrating trade issues into the DSCRCP.</p>							
<b>Coordination of AfT (Outcome 3)</b>							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	2	2	2	O3.4: Joint donor initiatives in trade	N	N	N
<p>The European Union (EU) is the DF and has been very supportive of contributing to trade mainstreaming and to the preparation of the Tier 1 proposal.</p>							
<b>Action Matrix Implementation (Outcome 4)</b>							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	3	3	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	5 (16.2)	0(0)
O4.2: Government budget contribution	N	N	N				
<p>Due to political circumstances (presidential and parliamentary elections), the recruitment of the NIU staff was delayed, and many of the project activities could not be implemented.</p>							

<sup>26</sup> The ES believes that this indicator should be a 3.

<sup>27</sup> The ES believes the indicator for 2010 and 2011 should be 2.



### **III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

The pre-DTIS was fully disbursed and closed in June 2011. However, the final financial report was not submitted despite repeated requests from the TFM.

Following the approval of the Tier 1 project, the MOU was signed in July 2011, and the first disbursement made immediately. The draft financial report for Q3 and Q4 of 2011 were not finalized in 2011.

### **IV. OUTLOOK 2012**

- Finalization of the ITA recruitment by UNDP and recruitment of the national experts for the NIU
- Acceleration of the Tier 1 project implementation.
- Finalization of technical and financial reports of 2011 and submission of reports of 2012;
- Continuation of reforms to improve the business environment, and implementation of the capacity-building activities aimed at the Ministry of Trade and SMEs through the EU project.
- Preparation of a Tier 2 draft proposal for submission in 2013

### **V. CONTEXT AND OTHER REMARKS**

The political environment is very difficult and affects the progress towards implementing project activities. Very weak NIU capacity.

# Djibouti



<b>Project(s)</b> (if applicable)	NIA Support
<b>Project dates</b> (if applicable)	Board Approval: 31-May-2011 * To be amended after operational extension of UNOPS mandate as TFM MoU Signature: 30-Sep-2011 First Transfer of Funds: 4-Oct-2011 MoU Expiry: 31-Dec-2013
<b>Approved budget</b> (if applicable)	US\$784,590.00 Plus US\$100,000.00 for DTIS Update (pending MIE selection) and US\$200,000 for ITA Support (approved on 02-Dec-2011 for UNOPS implementation)
<b>Financial transfers</b> (if applicable)	NIA Support No transfer made for DTIS Update and ITA support during the reporting period  Transfer Made in 2011: US\$131,565.00  Total amount transferred: US\$131,565.00
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:  Total expenditure reported:	NIA Support  0 0
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  0 0

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
Per cent share of international non-oil trade	0.00		0.00
Poverty headcount			
Per capita growth rate	5	4.8	5
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	75		75
Non-oil goods traded diversification			
Logistics performance index			
World Bank doing business-trading across countries	157	158	157
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N	Y	Y
O1.2: DTIS-AM	N	N	N	O1.5: Trade Strategy quality	5	3	3
O1.3: Fiduciary capacity	0	0	3	O1.6: Trade Strategy implemented	5	3	3

**O1.1** The staff of the NIU is in place with the exception of the International Trade Adviser (ITA) and the M&E officer. The NIU became operational on 1 October 2011 with the recruitment of the Coordinator, an Administrative Assistant, and an Assistant to the Financial Officer, a "Chargé de Programme" and a Driver. The recruitment of the ITA is under way through UNOPS and is expected to be in place in the first half of 2012. The M&E officer will be recruited once the ITA is in place. The NSC has been revamped and enlarged to strengthen the representation of the private sector and women associations. A number of outreach activities have been implemented targeting the administration, the private sector, as well as development partners. A website ([www.cirdjibouti.org](http://www.cirdjibouti.org)) was created and a communication plan formulated.

**O1.2** The Djibouti DTIS was validated in 2004. Djibouti is preparing the TOR for a DTISU to be launched in 2012.

**O1.4** The National Trade Development Strategy (NTDS) and its Action Plan funded by the EU through the TradeCom Facility was approved by Law n° 72/An/09 6ème on 21 February 2010. The Strategy contained a number of programmes from enhancing the institutional capacity of the Ministry of Trade, to improving the business environment and promoting public-private partnerships to integrating Djibouti into the international and regional trading systems. The National Development Strategy (NDS 2008-2012) will be revised in 2012.

**O1.6.** During the reporting period, there was no implementation of the actions contained in the NTDS, although preparation were underway for the submission of a new "code de commerce" to Parliament for adoption.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	3	3	3	O2.3: Public-Private Dialogue	5	5 <sup>28</sup>	5
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				

**O2.1** Trade and regional integration was part of the first Pillar of the INDS "Growth, Macroeconomic Stability and Competiveness" (page 32 and 82 of the English version). A new strategy (2012-2016) is being formulated. In addition to the INDS, there is the National Trade Development Strategy indicated above, which is much more oriented to institutional capacity building and improvement of the business environment.

**O2.3** Dialogue is ongoing, and progress is being made. The private sector is diverse in its representation, which complicates the dialogue in particular between business associations. The private sector is represented in the EIF NSC and actively participated in the meetings and outreach and capacity-building activities held so far by the NIU.

<sup>28</sup> There is a PPP consultation mechanism, and the ES believes this indicator should read a 3 for both 2010 and 2011. The challenges lie in the fragmentation of the private sector representation.

Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.4 Joint donor initiatives in trade	N	N	N
O3.2: Frequency of Government-Donor consultation in trade	5	<sup>29</sup>	3				
<p>UNDP is the DF and is very supportive of the NIU.</p> <p><b>O3.2:</b> there is consultation with donors around the INDS, but not specifically on trade. The Government is preparing to establish a formal coordination mechanism around the INDS, and it is expected that the Ministry in charge of trade will advocate for more visibility of the trade agenda.</p> <p>The NIU has implemented outreach activities targeted at key EIF stakeholders, such as Government officials, the private sector and development partners. A website has been created and brochures on the EIF programme distributed. A semi-annual newsletter will be produced by the NIU in 2012.</p>							
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	3	3	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	(0)	<sup>2</sup> (0.78) <sub>30</sub>
O4.2: Government budget contribution	N	N	N				
<p><b>O4.1</b> The NTDS is a medium-term programme, but the Government needs to secure funding for its timely implementation</p> <p><b>O4.2</b> The Ministry of Trade is preparing, with the support of UNIDO, a Tier 2 proposal on the "Salt value chain" to be submitted to the EIF Trust Fund in 2012.</p>							
III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS							
<p>The MOU covering the Tier 1 project was signed during the 4<sup>th</sup> quarter of 2011. This MOU will be amended in 2012 to adjust its budget to cater for the ITA under a separate budget. As of the reporting date, the financial reports are up to date, and two disbursements have been effected (for a total of US\$263,000). The total expenses reported as of June 2012 are US\$152,000, reasonably in line with the budget and work plan.</p>							
IV. OUTLOOK 2012							
<p>Participate in the revision of the INDS (2012-2016).</p> <p>Formulate a Tier 2 proposal on salt with the support of UNIDO to be submitted to the EITF by end-2012.</p> <p>Consolidate the NIU and complete the activities in the work plan.</p> <p>Finalize the TOR for a DTISU and submit to the ES for approval.</p> <p>Leverage additional resources from the Government and some development partners present in Djibouti for capacity-building activities and implementation of the action plan of the trade strategy.</p>							
V. CONTEXT AND OTHER REMARKS							
<p>A study on a "New Model of Growth for Djibouti" is currently being undertaken by the World Bank on four sectors with high potential to generate growth and above all employment. The NIU is working with the Ministry of Economy and Planning to avoid a duplication with the upcoming DTISU.</p>							

<sup>29</sup> Consultations with donors are organized by the Government around the INDS.

<sup>30</sup> The Tier 1 project and a Tier 2 project on salt are being developed.

## Ethiopia



Over 2011, no tangible progress was registered in advancing the Tier 1 Support to NIA project proposal for which preparation started in 2010. At an interaction at the margins of the WTO Ministerial in December 2011, the Ethiopian delegation confirmed that there was now political support for the development of the project, so progress is expected in 2012.

### Outlook 2012

The ES and the TFM are planning a meeting with the Ethiopian delegation at the margins of the upcoming UNCTAD XIII conference in Doha to discuss how the ES/TFM can support the Government of Ethiopia in the EIF implementation.

# The Gambia



<b>Project(s)</b> (if applicable)	NIA Support	DTIS Update (UNCTAD)
<b>Project dates</b> (if applicable)	Board Approval: 15-Dec-2009 MoU Signature: 7-Jan-2010 First Transfer of Funds: 22-Jan-2010 MoU Expiry: 6-Jan-2013	23-Nov-2011 7-Dec-2011 15-Dec-2011 6-Jul-2012
<b>Approved budget</b> (if applicable)	US\$900,000	Plus US\$197,950 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support Transfer Made in 2011: US\$299,994.00  Total amount transferred: US\$599,994.00	DTIS Update:  US\$158,360.00  Total amount transferred: US\$158,360.00
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:	NIA Support 8 0	DTIS Update: No reporting due
Total expenditure reported:	US\$532,199.00	
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  4 0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0	0.00	
Poverty headcount	58		
Per capita growth rate	6.157	5.013	5.5
Gini-coefficient	47.3		
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	15	15	
Non-oil goods traded diversification			
Logistics performance index	2.48	2.49	
World Bank doing business-trading across countries	139	141	146
Employment in non-traditional export sectors	NA	NA	NA
SMEs registered for import and export trade	NA	NA	NA

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	2007	Y	Y	O1.5: Trade Strategy quality	3*	3*	3*
O1.3: Fiduciary capacity	3	2	2	O1.6 Trade Strategy implemented	3*	3*	3*

- The NIU remained fully staffed and well performing;
- The National Steering Committee (NSC) and a National Ministerial Committee on Aid for Trade (also the National Ministerial Committee) continue to steer the EIF process in The Gambia.
- A Medium Term Plan to implement the action plan of the National Trade Policy was prepared and validated by the MOTIE. A yearly implementation plan is under development.

#### Outreach

The Gambia received input from the ES in finalising its communication strategy that is currently under implementation. The Gambia has used the strategy to engage different stakeholders in delivering the programme with a particular focus on developing the Tier 2 project on cashew nuts, ground nuts and sesame. Publicity material has already been developed and disseminated to key stakeholders. During the EIF Trading Stories project, the ES held a discussion with the NIU on providing support in broadening stakeholder engagement through web page development, further press and publicity as well as at the Tier 2 launch, closely collaborating with ITC on production of outreach material for partners.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	2	2	2	O2.3: Public-Private Dialogue	2	2	1
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				

- Trade issues are mainstreamed into the PAGE which is the Gambia's development strategy and investment programme for 2012 to 2015 succeeding the Poverty Reduction Strategy Programme II (PRSP II);
- Fisheries Strategic Action Plan prepared and validated. A Medium Term Plan (MTP) for the Fisheries Department was completed after a stakeholder validation workshop and endorsement by the NSC;
- As per the assessment of the NIU, there is now greater appreciation of the role of the EIF by Government and many stakeholders. In the 2012 budget speech delivered in December, the Minister of Finance and Economic Affairs highlighted the EIF efforts in trade mainstreaming and support to trade support institutions.
- The National Trade Negotiation Committee (which includes Government and Private sectors) meets quarterly and the Economic Summit held annually.
- An AfT inter-ministerial committee was set up and meets at least once a year;

Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	5	3	2	O3.4: Joint donor initiatives in trade	N	N	N
<ul style="list-style-type: none"> <li>Government-Donor Forum on Trade meets every 6 months *;</li> <li>High level inter-ministerial meeting with donors and other stakeholders meets ;</li> <li>After the with-draw of the EU as DF, the government has been searching for a DF. Consultations have been held with the Turkish Embassy in Banjul and Turkish Mission in Geneva.</li> </ul>							
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	1 (1.2)	2 (0)	2 (15.8)
O4.2: Government budget contribution	N	N	N				
<ul style="list-style-type: none"> <li>DTIS Update is under way with UNCTAD as the MIE;</li> <li>Tier 2 project on sector specific support for cashew nuts, groundnuts and sesame and cross-cutting assistance in the areas of trade information and inclusive tourism is being finalized for submission to the EIF Board and with ITC as the MIE;</li> <li>Two other EITF Tier 2 projects are submitted to the ES for review: (i) Construction of Cargo Complex and Acquisition of Baggage Scanner for Gambia International Airlines; (ii) Provision of low-cost energy (wind mill) to fish-landing sites and establishment of fish service centres;</li> <li>A Tier 2 project proposal on SPS is under development;</li> <li>Establishment of a multi - year program for the “Gambia is Good” program and association of Small Scale Enterprises in Tourism schemes to enable them to expand their operations and increase linkages with the tourism sector;</li> <li>Various capacity building activities were undertaken to address the capacity constraints of the trade-related institutions as identified in the DTIS and its Action Matrix. These institutions included MOTIE’s trade Division, the Gambia Competition Commission (GCC), the Association of Gambian Manufacturers’ (AGM), Weights &amp; Measures Bureau, Association Gambian Horticultural Producers and Exporters (GAMHOPE), National Cashew Farmers Association (NCFA), Association of Small Scale Enterprises in Tourism (ASSET), Gambia Ports Authority (GPA), Fisheries Department and National Women Farmers Association (NAWFA). The support to sector institutions was mainly related to training and procurement of services, inputs and tools to enhance their performance in their trade related activities.</li> <li>There are now four projects financed from the DTIS-AM with a total value of US\$15.8 million up from a baseline of zero.</li> </ul>							
III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS							
<ul style="list-style-type: none"> <li>The NIUC has submitted the technical and financial reports as scheduled and disbursements were subsequently made to the project.</li> <li>A supervision mission was undertaken by TFM in September 2011</li> <li>The project work Plan and budget are being revised and an amendment to the MOU will be signed. A separate MOU will be signed with UNCTAD for the implementation of the DTIS Update.</li> </ul>							



#### **IV. OUTLOOK 2012**

With three Tier 2 projects in the pipeline, the DTIS Update as well as extensive and continued capacity building support to line ministries and relevant stakeholders, The Gambia is set to continue making success of the programme, as evidenced in the 2012 work-plan.

The ES/TFM support for The Gambia will focus on (i) finalization, appraisal, approval, start-up and implementation of the Tier 2 projects; (ii) mid-term evaluation of the Tier 1 project; (iii) following up on the achievement of the Tier 1 benchmarks; and (iv) searching for a DF. Another issue to be further monitored is the secondment of government staff to the NIU. Though the NIU is currently well performing with highly motivated staff, they are all recruited from outside. The NSC, at their meeting in April 2010, advised MOTIE to develop a strategy to maintain the NIU staff in the Ministry at the end of the project. Practical steps should be taken to ensure the sustainability of the EIF programme in the country, especially in the preparation for the second phase of Tier 1.

Further to the above, the NIA should take steps to expand the implementation of its training activities to members of the NSC.

The TFM is scheduled to field a supervisory mission in July 2012.

#### **V. CONTEXT AND OTHER REMARKS**

The main challenge to take up includes ensuring that the programme receives appropriate support by the DF to be appointed and other development partners.



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update		
<b>Project dates</b> (if applicable)	Board Approval:	23-Nov-2011	* To be amended after operational extension of UNOPS mandate as TFM
	MoU Signature:	19-Dec-2011	
	First Transfer of Funds:	19-Dec-2011	
	MoU Expiry:	31-Dec-2013	
<b>Approved budget</b> (if applicable)	US\$900,000.00	Plus US\$200,000.00 for DTIS Update (pending MIE selection)	
<b>Financial transfers</b> (if applicable)	NIA Support		
	Transfer Made in 2011: US\$150,000.00		
	Total amount transferred: US\$150,000.00		
<b>Financial reports (FR) received</b> (if applicable)	No Reports due as of reporting date.		
<b>Technical reports (TR) received</b> (if applicable)	No Reports due as of reporting date.		

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01		0.01
Poverty headcount			
Per capita growth rate	-0.28	4	-0.28
Gini-coefficient			
Purpose Indicators			
Value of non-oil goods traded (US\$ mil)	1010		1010
Non-oil goods traded diversification			
Logistics performance index	2.71		2.71
World Bank doing business-trading across countries	171	179	171
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	2003	N	N	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity			3	O1.6 Trade Strategy implemented	5	5	5

Guinea joined the EIF in 1997 and benefitted from a window II project which was successfully implemented by the unit established by the Government. The national implementation arrangements were reactivated in 2009 in line with the starting of the EIF but the political situation prevented from the launching of EIF activities.

Therefore no major activity was implemented in 2011 apart from the preparation of the Tier 1 proposal which was approved in in November 2011.

**O.1**The NIU Coordinator was reconfirmed by the Ministry to lead the UMOCIR following the approval of the Tier 1 project. The NIU still has to be staffed as approved in the proposal. However, the Ministry of Trade does have the capacity to implement the program.

**O1.2:** The Tier 1 Project work plan has included a DTIS-update for 2012. However, the Trade Policy Review of Guinea was held in 2010.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	5	5	3	O2.3: Public-Private Dialogue	5	5	3 <sup>31</sup>
O2.2: Trade in Productive Sector Strategies	N	N	Y				

**O2.1** Trade was to a certain extent mainstreamed in the 2<sup>nd</sup> PRSP 2007-2010. Guinea is preparing the 3<sup>rd</sup> generation of PRSP and the NIU with the DTIS Update is expecting further enhancement of the trade mainstreaming.

**O2.1** Agriculture sector to promote exports

#### Coordination of Aft (Outcome 3)

	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	N	N	N
O3.2: Frequency of Government-Donor consultation in trade	5	5	5	O3.4: Joint donor initiatives in trade	Y	Y	Y

**O3.2** Consultation between donors and government occurs around the PRSP but not specifically on trade. The operationalization of the NIU and the implementation of the Tier one will enhance the consultation on trade with development partners in particular to seek additional funding for Tier 2 projects.

#### Action Matrix Implementation (Outcome 4)

	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	2 (1.2)		1 (1.2)
O4.2: Government budget contribution	N	Y	Y				

O4.4: One project worth US\$1.9 million has been funded from the DTIS-AM

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

The TFM undertook the capacity assessment of the Ministry of Trade in March 2011 which led to the funding of the Tier 1 proposal. One disbursement was made in December 2011 to assist the country and the NIU was established.

### IV. OUTLOOK 2012

A start up supervision mission is planned by TFM for June.

NIU staff will be recruited in Q1 2012.

The NIU is planning to prepare and submit a Tier 2 project on mango processing before December.

### V. CONTEXT AND OTHER REMARKS

The recruitment of the staff was delayed, affecting the start-up of project activities.

<sup>31</sup> Because of the political situation prevailing in the country, the PP dialogue was not regular. Since the democratic elections, consultations with the private sector are ongoing.

# Guinea-Bissau



<b>Project(s)</b> (if applicable)	Tier 1 – Support to NIAs	
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	22-Nov-2010 20-Dec-2010 23-Dec-2010 19-Dec-2013
<b>Approved budget</b> (if applicable)	US\$1 000 000	Including US\$100,000 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS/DTIS Update: US\$100,000
	Transfer Made in 2011: US\$150 000  Total amount transferred: US\$300 000	Total amount transferred:
<b>Financial reports (FR) received</b> (if applicable)  No. of FRs Received: No. of FRs Pending:  Total expenditure reported:	NIA Support	DTIS Update:
	4 0  US\$235,327.49	
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support	DTIS Update:
	2 0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.00		0.00
Poverty headcount			
Per capita growth rate	2.996	4.8	2.996
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	115		115
Non-oil goods traded diversification			
Logistics performance index	2.28		2.28
World Bank doing business-trading across countries	181	176	181
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

II. RESULTS							
OUTCOME INDICATORS AND RESULTS							
Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.4: Trade strategy updated	Y	Y	Y
O1.2: DTIS-AM	0	Y	Y	O1.5: Trade Strategy quality	1	1	1
O1.3: Fiduciary capacity	0	3	3	O1.6 Trade Strategy implemented	4	4	4
<p>The EIF process in Guinea-Bissau has not advanced due to the political and social situation.</p> <p>Prior to the military <i>coup d'etat</i>, the NIUC encountered virtually no success in recruiting two local experts to strengthen the existing team. A revision of the ToR was undertaken by the country with the assistance of the ES and the TFM. Subsequently, on-going efforts have focused on the revision of the Ministry's staff seconded to the NIU in order to give them full responsibility while being trained by local consultants.</p> <p>O1.1: A project to support NIAs is now in place  O1.2: The country has an up-to-date DTIS-AM  O1.4: The country has an up-to-date trade strategy</p>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	3	3	2	O2.3: Public-Private Dialogue	3	3	2
O2.2: Trade in Productive Sector Strategies	N	N	Y				
Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	N	N	N
O3.2: Frequency of Government-Donor consultation in trade	4	4	3	O3.4: Joint donor initiatives in trade	N	Y	Y
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	4	4	3	O4.4: Number and amount of projects funded from DTIS-AM	0 (0)	0 (0)	0 (0)
O4.2: Government budget contribution	Y	Y	Y				
III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS							
<p>The project received two disbursements in 2011 totalling US\$300,000.</p> <p>The finance officer was recruited in August 2011 and financial reports have been submitted, although with long delays.</p> <p>TFM undertook a start-up facilitation mission in August and the project work plan and budget were revised.</p> <p>The project finds it very difficult to recruit local qualified experts to strengthen the team as planned in the Tier 1 proposal.</p>							

#### **IV. OUTLOOK 2012**

The project implementation is affected by the political instability and the NIU's inability to recruit qualified staff for local expert position. The next phase will largely be based upon revisiting the ToRs so as to ensure that staff are properly allocated.

The NIU will participate in the M&E workshop in Burkina Faso planned for May 2012 and will undertake the revision of the project log-frame.

The Government has demonstrated interest in submitting a Tier 2 proposal for EIF funding. The idea of the project, still in an early state, is to develop the cashew nut export market – the country's main commodity.

#### **V. CONTEXT AND OTHER REMARKS**

The project unit is seriously constrained by the lack of local expertise to undertake Tier 2 project preparation. The UNDP Bissau has offered to assist. However, the resources required are far above the project's available resources.

# Haiti



<b>Project(s)</b> (if applicable)	Pre-DTIS		
<b>Project dates</b> (if applicable)	Board Approval:	15-Oct-2010	
	MoU Signature:	3-Nov-2010*	*Amended on
	First Transfer of Funds:	23-Dec-2010	19-Dec-2011
	MoU Expiry:	30-Jun-2012	
<b>Approved budget</b> (if applicable)	US\$50,000		
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$0.00		
	Total amount transferred: US\$30,194.91.00		
<b>Financial reports (FR) received</b> (if applicable)			
	No. of FRs Received:	1	
	No. of FRs Pending:	0	
Total expenditure reported:	US\$28,367.00		
<b>Technical reports (TR) received</b> (if applicable)			
	No of TRs Received:	1	
	No of TRs Pending:	0	
<b>Haiti</b>			
<b>Project(s)</b> (if applicable)	DTIS (WB)		
<b>Project dates</b> (if applicable)	Board Approval:	11-Aug-2011	*Disbursement was
	MoU Signature:	18-Aug-2011	part of initial transfer
	First Transfer of Funds:	30-May-2011*	to WB subsidiary trust
	MoU Expiry:	31-Aug-2012	fund
<b>Approved budget</b> (if applicable)	US\$400,000	Incl.	
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$400,000.00		
	<i>*The full amount was transferred to the World Bank subsidiary trust fund, however the funds are being released according to specified tranches as for the EFOs</i>		
	Total amount transferred: US\$400,000.00		
<b>Financial reports (FR) received</b> (if applicable)			
	No. of FRs Received:	0	
	No. of FRs Pending:	0	
Total expenditure reported:	US\$0.00		
<b>Technical reports (TR) received</b> (if applicable)			
	<i>* As per the World Bank subsidiary trust fund, financial information is constantly available through the World Bank donor portal, such that FRs are never technically "received" or "pending"</i>		

No of TRs Received:	0		
No of TRs Pending:	0		
<b>I. GOAL AND PURPOSE INDICATORS</b>			
<b>Goal Indicators</b>	<b>Baseline</b>	<b>Y1</b>	<b>Y2</b>
Completed WTO accession	1	1	1
% share of international non-oil trade	0.00		0.00
Poverty headcount			
Per capita growth rate	2.885	6.1	2.885
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	576		576
Non-oil goods traded diversification			
Logistics performance index	2.21		2.21
World Bank doing business-trading across countries	154	162	154
Employment in non-traditional export sectors			
SMEs registered for import and export trade			
<b>II. RESULTS</b>			
<p><b>Some progress was made over the reporting period in building institutional capacity to formulate and implement trade related strategies and implementation plans and in mainstreaming trade.</b></p> <p>Over the reporting period, consultations on the DTIS concept note took place between the government and the World Bank (MIE for the DTIS), ITC and UNCTAD. The agreement for the DTIS was signed in August, but the DTIS process did not keep pace with the agreed timetable. At the request of the government, a consultant started in December 2011 helping the Government preparing a Tier 1 NIU support project.</p> <p>In the context of Pre-DTIS activities, UNCTAD in co-operation with the Government of Haiti and the EIF ES organised an EIF Sensitisation workshop over three days in August 2011 for stakeholders from government, private sector, civil society and development partners on trade, trade mainstreaming and the EIF.</p>			
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>			
<p>Regular communication took place with Haiti and financial and technical progress reports for the Pre-DTIS have been sent before the end of the year and actions were taken by the end of 2011 to amend the agreement and extend it for an additional six month (until 30 June 2012).</p> <p>Regarding the DTIS, in close consultation with the Government of Haiti, the agreement with the World Bank was signed soon after the approval of the project by the Board.</p>			
<b>IV. OUTLOOK 2012</b>			
<p>Continued consultations on the DTIS concept note including a stakeholder workshop in Q2; finalisation of the concept note and review by the Board in Q3; main fact finding mission to follow soon after.</p> <p>Finalisation and appraisal of the Tier 1 Support to NIA project proposal in Q3; subsequently submission of the proposal to the EIF Board.</p>			
<b>V. CONTEXT AND OTHER REMARKS</b>			
<p>The presidential election started in 2010 and completed in April 2011, followed by the difficulties to form a Government have hindered the EIF activities in Haiti during the first half of 2011. However, things have moved in the second half of the year.</p>			





## I. OVERVIEW

Despite having an almost complete DTIS, the Government of Kiribati has hesitated in carrying out its validation. The Government of Kiribati has expressed dissatisfaction over some of the assessments carried out in the DTIS. The process has been stalled, but the expectation is that within 2Q2012 the process is reinitiated with the DTIS validation. A proposal for Tier 1 process would follow thereafter.

As of recent, Kiribati has nominated a new EIF Focal Point from the Ministry of Commerce, Industry and Cooperatives. The country is currently working with UNDP in formulating the EIF Tier 1 project proposal.

## II. OUTLOOK 2012

The outlook for EIF activities in Kiribati remains uncertain largely due to lack of engagement and low capacity in the country.

UNDP is planning a mission for capacity assessment during June 2012 and will assess both the level of commitment in carrying through the EIF process and DTIS validation.

## III. CONTEXT AND OTHER REMARKS

UNDP's Multicountry office in Fiji is expected to provide assistance on the formulation of a Tier 1 project. While the timeline for this activity remains unclear, the outlook suggests that proposal will probably be sent to the Executive Secretariat during the 4Q 2012.

# Lao PDR



<b>Project(s)</b> (if applicable)	NIA Support	DTIS Update (Government)
<b>Project dates</b> (if applicable)	Board Approval: 26-Jan-2010 MoU Signature: 25-Feb-2010 First Transfer of Funds: 29-Apr-2010 MoU Expiry: 24-Feb-2013	29-Oct-2010 7-Jun-2011 15-Jun-2011 24-Feb-2013
<b>Approved budget</b> (if applicable)	US\$837,599	Plus US\$399,400 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support Transfer Made in 2011: US\$162,561.00 Total amount transferred: US\$312,525.00	DTIS/DTIS Update: US\$300,000.00 Total amount transferred: US\$300,000.00
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:	NIA Support 6 0	DTIS Update: 2
Total expenditure reported:	US\$242,757.00	US\$210,788.00
<b>Technical reports (TR) received</b> (if applicable) No of TRs Received: No of TRs Pending:	NIA Support 3 0	DTIS Update: 0 0

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	2	2	2
% share of international non-oil trade	0.01	0.01	
Poverty headcount		26	
Per capita growth rate	7.513	8.453	8.3
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$)	940	1600	
Non-oil goods traded diversification			
Logistics performance index	2.25	2.46	
World Bank doing business-trading across countries	165	169	171
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

II. RESULTS							
OUTCOME INDICATORS AND RESULTS							
Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.3: Trade strategy updated	Y	Y	Y
O1.2: DTIS-AM	2006	N	N	O1.5: Trade Strategy quality	1	1	1
O1.3: Fiduciary capacity	0	3	2	O1.6: Trade Strategy implemented	1	1	1
<ul style="list-style-type: none"> <li>The National IF Governance Structure (NIFGS) is chaired by the Deputy Prime Minister and meets at the Vice Minister level. The NIFGS has been active in 2011 and will be sustained in 2012. Discussions continue on trade related issues in relation to the national development agenda.</li> <li>The NIU is fully structured and mandated to manage all TRTA projects. At present the NIU is managing up to four programs at different levels, including the EIF and Trade Development Facility (TDF) programmes. The NIU unit has been elevated as a division (Foreign Aid Trade Division) positioned in the new Department of Planning and Co-operation at the Ministry of Industry and Commerce (MOIC). The Deputy Director of the Division has been assigned to be in charge of financial management with one other official to assist with fiduciary aspects in 2012.</li> <li>Regarding sustainability, the NIU is positioned as a technical unit in the Department of Planning and Co-operation at the MOIC. The NIU has been finalising a Sustainability Strategy for Trade Mainstreaming in Lao PDR which consolidates existing structures to ensure the sustainability of 3 main outcomes under the Lao PDR Tier 1 project, i.e. Trade mainstreaming, donor coordination and capacity to formulate and implement trade policies.</li> <li>The DTIS and Action Matrix is currently in the process of being updated, with draft outputs available at end of 2011.</li> <li>The National Export Strategy was formally adopted by Government in 2010, and the DTIS Update will lead to a new Trade and Private Sector Development Programme. There was an increase in the profile of trade in the most recent National Socio-Economic Development Plan (NSEDV VII).</li> </ul> <p>Activities supported through the Tier 1 project have included the:</p> <ol style="list-style-type: none"> <li>Updating of the DTIS.</li> <li>Training for NIU and other Government Department staff in (i) a Leadership program in Singapore in December 2011; (ii) evening English training at Vientiane College; (iii) the EIF regional workshop on operationalization of M&amp;E Framework, in Entebbe in December 2011; (iv) training courses on Leadership and Human Resources Management in Indonesia in July 2011; and (v) consultant management in Lao PDR in September 2011.</li> <li>Inclusion of a communications officer in the NIU.</li> </ol>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	1	1	1	O2.3: Public-Private Dialogue	1	1	1
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<ul style="list-style-type: none"> <li>Trade mainstreamed into the 7<sup>th</sup> National Socio-Economic Development Plan (NSEDV 2011-2015);</li> <li>Part of the national structure to coordinate and monitor the implementation of the NSEDV, the Trade and Private Sector Development Working Group was established under the chairmanship of the MOIC with a draft TOR;</li> <li>The 5<sup>th</sup> and 6<sup>th</sup> Lao Trade Magazine and Aid for Trade brochures were produced, along with the EIF ES published Lao Country Profile and disseminated widely to the line ministries, development partners, private sectors and the public with an aim to improve awareness on trade issues.</li> </ul>							

- Lao PDR was part of the EIF film, "Trade Works" and has been actively using the film to sensitize stakeholders across the EIF partnership. The film will also be screened at the DTIS Update Validation workshop. As part of the Trading Stories project, Lao PDR will receive EIF communications training for the NIU, Ministry of Commerce and other line Ministries. Support will also be provided in developing a series of communications campaigns to deliver work plan priorities.

#### Coordination of Aft (Outcome 3)

	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.4: Joint donor initiatives in trade	N	N	N
O3.2: Frequency of Government-Donor consultation in trade	3	3	3				

- An Aft harmonization and alignment structure has been put in place by integration of all project steering committees and combined planning, monitoring and implementation of all TRTA projects under the management of the NIU;
- The EIF ES and TFM have conducted joint missions with local in-county programmes and aligned reporting processes.
- The Lao PDR Aft Results and Monitoring Framework was established to provide a mechanism for monitoring EIF, TDF and other Aft programmes. This Framework was recently updated to include EIF M&E indicators;
- The DTIS Update, including the Roadmap on Trade and Private Sector Development is expected to be validated in May 2012;
- A Tier 2 project on building capacity for the development of the National Quality Infrastructure is under development.
- Lao PDR has developed a website on EIF and related Aft programme delivery ([www.laosoft.org](http://www.laosoft.org) in both English and local language)
- Stakeholders participated in training on Programme Based Approaches in Trade Sector in Lao PDR in August 2011.

#### Action Matrix Implementation (Outcome 4)

	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	1	1	1	O3.3: UN CEB activities based on DTIS-AM			
O4.2: Government budget contribution	N	N	Y	O3.4: Joint donor initiatives in trade	2 (12.9)	1 (1.02)	4 (6.4)

- All TRTA projects under the responsibility of MOIC, thus the NIU, have been coordinated through combined programme planning, reporting and where possible, supporting missions. Apart from the EIF Tier 1 and TDF, the NIU is managing 5 other on-going projects funded by Japan, Switzerland, Germany, with some, but less involvement with USAid and ADB;
- There are now six projects funded from the DTIS-AM with a total value of US\$16 million, up from two projects worth US\$7 million at the baseline.
- The Aid for Trade Executive Committee (TEC) has also been established and operates within the context of the Trade and Private Sector Working Group (TPSWG). The TEC provides a forum for transparency and information exchange in the development and implementation of trade related assistance;
- Laos Aid for Trade donor matrix is available on the Website [www.laosoft.org](http://www.laosoft.org) created and managed by the NIU (<http://www.laosoft.org/index.php/en/filessharing/category/9-aid-for-trade-donor-matrix>) as a means to enhance Aft and donor coordination.

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

- Out of the total Tier 1 budget of US\$837,599, the expenditure had been US\$242,757 until the end of December 2011, which amounts to 29 per cent. In addition, against the total budget of US\$399,400 allocated for the DTIS Update, US\$210,788, i.e., 53 per cent, had been spent by end of December 2011. Since the DTIS Update activities are almost completed the balance in the DTIS budget will be liquidated soon but still leaving an unspent balance of about US\$60,000 which is the result of withdrawal of taxation. The government passed a new tax law which imposed a tax of about 28 per cent on all consultants, including international consultants, and hence the project budget was revised to include this. However, upon the appeal of TFM and some other in country donors, this tax was exempted for donor funded consultants in the EIF, which resulted in the saving of about US\$60,000 for DTIS Update. The NIU is satisfactorily following all the government financial and procurement procedures, and got a clean Audit report for the period from the beginning to the end of Sept 2011 (end of Financial Year). All records are well kept.
- A financial management software package is being applied. Government staff from other sections of the MOIC are taking part in training sessions. The number of government staff available for hands-on work needs to be increased.
- Since the NIU is also implementing the TDF project supervised by the World Bank, harmonisation between TDF and Tier 1 project, received due attention.
- TFM conducts regular supervision missions. The last supervision mission in November 2011 was conducted simultaneously with the Word Bank's mission for TDF project. A joint mission with the ES is planned in May 2012.

### IV. OUTLOOK 2012

With the DTIS soon to be validated, the focus of ES/TFM support for Lao PDR will be on (i) implementation of the Roadmap on Trade and Private Sector Development (i.e. the Action Matrix), in collaboration with donors on the ground and TDF; (ii) development of Tier 2 projects; (iii) continued capacity building to NIUs and GSEUs; (iv) the drafting of a Strategic Plan for the Development of a National Quality Infrastructure and (v) support the NIU to prepare operational work plan for both EIF and TDF II.

### V. CONTEXT AND OTHER REMARKS

Though the NIU is positioned as a technical division in the MOIC, about 2/3 of staff are recruited through TDF and EIF funds on a contract basis. ES and TFM will follow-up with the FP on the MOIC's plan to second more staff to the NIU thus ensuring a higher degree of transfer of skills to government staff and therefore sustainability. EIF's support to the country will be extended in the perspective that the WTO accession negotiation of Lao PDR is almost completed and the country is preparing for a post-WTO accession context. According to the annual progress report, there has been progress in building the capacity of the Government to implement its regional and global economic integration and trade reform agenda; progress has been made in the activities aimed at facilitating trade and cross-border movement of goods; and it has also stimulated progress in the alignment and effectiveness of AfT projects in Lao PDR.

\* Country self-reported assessment, still to be verified by EIF ES-TFM

\*\* Draft indicator from ES-TFM Assessment - Information not yet available

# Lesotho



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update (USAID)	
<b>Project dates</b> (if applicable)	Board Approval: 26-Jan-2010 MoU Signature: 25-Mar-2010 First Transfer of Funds: 15-Jul-2010 MoU Expiry: 24-Mar-2013	Board Approval: 7-Dec-2011 MoU Signature: 22-Dec-2011 First Transfer of Funds: Pending MoU Expiry: 21-Dec-2012
<b>Approved budget</b> (if applicable)	US\$874,000	Plus US\$200,000 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS Update:
	Transfer Made in 2011: US\$187,000.00  Total amount transferred: US\$374,000.00	US\$  Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable)  No. of FRs Received: No. of FRs Pending:  Total expenditure reported:	NIA Support  5 0  US\$243,780.00	DTIS Update:
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  1 0	DTIS Update:

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01	0.01	
Poverty headcount			
Per capita growth rate	2.862	5.609	5.2
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	750	820	
Non-oil goods traded diversification			
Logistics performance index	2.3		
World Bank doing business-trading across countries	128	137	138
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'11		BL	'11
O1.1: Support to NIAs			O1.4: Trade strategy updated		
O1.2: DTIS-AM			O1.5: Trade Strategy quality		
O1.3: Fiduciary capacity			O1.6 Trade Strategy implemented		

**Progress was made over the reporting period in building institutional capacity to formulate and implement trade related strategies and implementation Plans. In particular, the NSC was established and the DTISU process launched.**

O1.1: Over the reporting period, the NIAs were finalised by establishing the NSC and TAC2 including participation of key government ministries, parastatals, private sector and civil society; the NSC is chaired by the EIF FP. The FP changed over the reporting period; Mr Teleko Ramots'oari was replaced by Mr Hlompho Mpeta, Deputy Permanent Secretary at the Ministry of Trade and Industry, Cooperatives and Marketing; UNDP remains Lesotho's DF; the UNDP Lesotho's Economic Advisor and Head of Strategy Policy Unit Ms Alka Bhatia is the contact point for the FP and NIU.

#### Capacity building

EIF and Aid for Trade capacity building sessions for the NSC and TAC2 were undertaken in May 2011. In November/December 2011, an International Trade Advisor supported the NIU in advancing the EIF. A delegation from Lesotho participated in the EIF Capacity Building Workshop for Southern and Eastern Africa held in Maseru in February 2011 and in the EIF M&E Capacity building Workshop held in Entebbe in December 2011. Following the M&E workshop the EIF Tier 1 project logframe was revised, and subsequently also the 2012 work plan and budget to make it consistent with the logframe.

#### Outreach

Lesotho was part of the film, "Trade Works", which has been used to sensitize members of the National Steering Committee. Communications activities to date have involved wide press coverage around the EIF regional workshop for Eastern and Southern Africa and publicity material on earlier agricultural projects. An international consultant has developed a Communication Strategy, working closely with the Ministry communications lead, to profile the importance of trade and development. Support is ongoing from the ES to align the final strategy to the NIU work plan and in promoting impact-focused outreach activities. Lesotho also features in the EIF country profile series, now available in English and French.

O1.2: Funding for a DTISU (with USAID) to update the 2003 DTIS and Action Matrix was approved by the EIF Board in December 2011.

#### Mainstreaming (Outcome 2)

	BL	'11		BL	'11
O2.1: Trade in the National Development Plan			O2.3: Public-Private Dialogue		
O2.2: Trade in Productive Sector Strategies					

**Progress was achieved in mainstreaming since Lesotho's National Strategic Development Plan includes trade issues.**

O2.1: The NSDP 2012/13 – 2016/17 volume 1 (strategic vision) which was formulated over the reporting period sets out six strategic goals to achieve sustainable growth and poverty reduction. Trade is an essential part of the first goal which is to pursue high, shared and employment creating economic growth. The FP and NIUC participated in the Technical Working Group where trade issues were discussed and the strategic focus selected.

O2.2: Trade is included in Lesotho's Industrialisation Master Plan 2007-2010.

O2.3: Public-private sector consultation in Lesotho is undertaken through the Business Council of Lesotho established in 2009; the BCC meets four times a year.

#### **Coordination of Aft (Outcome 3)**

	BL	'11		BL	'11
O3.1: Annual joint sector implementation overview			O3.3: UN CEB activities based on DTIS-AM		
O3.2: Frequency of Government-Donor consultation in trade			O3.4: Joint donor initiatives in trade		

**The FP and NIU consult with the DF regularly, but no progress was made in the coordination of AFT over the reporting period.**

O3.2: To coordinate the delivery of Aid for Trade, the EIF FP and the NIU met regularly with the DF; a planned presentation of the EIF to the donor community was postponed to 2012

#### **Action Matrix Implementation (Outcome 4)**

	BL	'11		BL	'11
O4.1: Medium-term Programme			O4.4: Number and amount of projects funded from DTIS-AM		
O4.2: Government budget contribution					

**Progress has been made to implement the DTIS Action Matrix priorities.**

O4.1: Lesotho has not yet developed an EIF Medium-term Programme.

O4.4: Three T2 project outlines were developed over the reporting period to benefit the fresh produce sector (in particular the mushroom value chain, the tourism sector and the livestock value chain; trade priority were also integrated into a new UNDAF formulated and validated in 2011.

### **III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

The T1 project in Lesotho has had a difficult start up. Delays in the opening of the project bank account (July 2010) some six months after the project approval and signature of the MoU (Jan 2010) resulted in similar delays in project fund availability in country. The staff recruitment was protracted and the organization of a Regional Workshop early 2011 in Maseru resulted in a TFM Start Facilitation only taking place in May 2011. Moreover the disengagement of the Finance Officer (seconded by the Ministry) in mid-2011 resulted in emergency interventions from the TFM in order to ensure the continuity of financial reporting. While the solution found to alleviate the financial reporting issue is for the moment ad-hoc and remained to be sustained, the project is now operating. The DTIS Update is about to be formally finalised (and was implemented by USAID, a new partnership for these activities) and a T2 has been submitted for initial review (with ITC as the MIE). However, the general election held in May 2012 will result in changes in key posts in the Ministry that may have an impact on the project activities. An amendment to the project MoU (correcting its total budget for the DTISU amount) is currently awaiting signature from the GoL.



#### **IV. OUTLOOK 2012**

- Integration of trade into the NSDP Chapter 2 (investment and implementation plan) in Q1;
- Revision of the EIF Tier 1 logframe, work plan and budget in Q1 and Q2;
- Finalisation and appraisal of the Fresh Produced Tier 2 project and subsequent submission of the project to the EIF Board for approval in Q2 and Q3; thereafter expected start of implementation of the project;
- Joint ES/TFM monitoring mission in May 2012;
- Finalisation of the DTIS Update and Validation workshop in Q3; formulation of a MTP in Q4;

#### **V. CONTEXT AND OTHER REMARKS**

The EIF team in Lesotho in co-operation with UNDP and the EIF ES successfully hosted in February 2011 the fourth and final regional EIF capacity building workshop for Southern and Eastern African countries.

# Liberia



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update	
<b>Project dates</b> (if applicable)	Board Approval:	22-Oct-2009
	MoU Signature:	10-Nov-2009
	First Transfer of Funds:	17-Nov-2009
	MoU Expiry:	9-Nov-2012
<b>Approved budget</b> (if applicable)	US\$899,900	Plus US\$100,000 for DTIS Update (pending MIE selection)
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS Update:
	Transfer Made in 2011: US\$150,000.00	US\$
	Total amount transferred: US\$524,900.00	Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable)	NIA Support	DTIS Update:
	No. of FRs Received: 6 No. of FRs Pending: 1	
Total expenditure reported:	US\$516,524.82	
<b>Technical reports (TR) received</b> (if applicable)	NIA Support	
	No of TRs Received: 3 No of TRs Pending: 0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	2	2	2
% share of international non-oil trade			
Poverty headcount			
Per capita growth rate	4.588	5.515	6.9
Gini-coefficient			2.38
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)			
Non-oil goods traded diversification			
Logistics performance index	2.31	2.38	
World Bank doing business-trading across countries	159	152	155
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

II. RESULTS							
OUTCOME INDICATORS AND RESULTS							
Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	Y	Y	Y
O1.2: DTIS-AM	2008	Y	Y	O1.5: Trade Strategy quality	1	1	1
O1.3: Fiduciary capacity	3	3	3	O1.6 Trade Strategy implemented	1	1	1
<ul style="list-style-type: none"> <li>The NSC continued to be chaired by the Minister of Commerce and Industry (MoCI) with participation of Ministries of State, Lands &amp; Mines, Finance &amp; Economic Planning, Foreign Affairs, Agriculture, the National Investment Commission, and the Chamber of Commerce, along with the World Bank as Donor Facilitator and other invited partners.</li> <li>The NIU is operational but experienced high turnover of staff and is isolated from the MoCI. The position of FP is vacant.</li> <li>An AfDB programme to support Liberia's Trade Support Institutions was approved.</li> <li>Trade Policy has been finalized in 2011 and WTO accession negotiations are under way.</li> <li>Regarding sustainability, the ES and the TFM requested the MoCI to implement a plan to integrate the NIU as an integral part of the Ministry, as recommended during the project approval.</li> </ul>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	1	1	1	O2.3: Public-Private Dialogue	5	5	5
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<ul style="list-style-type: none"> <li>The MoCI has automated the national Business Registry to reduce the length of time it takes to register businesses.</li> <li>The MoCI has established Liberia's first Standards Lab and working on putting in place the national SPS framework.</li> <li>A trade fair and trade mapping exercise were carried out.</li> <li>Initial harmonization of Liberia's foreign trade statistics.</li> <li>Monthly meeting of Trade Working Group comprising of donors, private sector and government.*</li> </ul>							
<p><u>Outreach</u></p> <p>Liberia has used different communication activities to promote the visibility of the programme's objectives as part of the national trade agenda including using bill boards and the EIF film, "Trade Works". Liberia is developing an Aid for Trade website covering activities in-country and features in the EIF country profile series, now available in English and French.</p>							
Coordination of AfT (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	1	1	1	O3.4: Joint donor initiatives in trade	Y	Y	Y
<ul style="list-style-type: none"> <li>According to the NIU, there is frequent engagement with Liberia's AfT development</li> </ul>							

partners, which include EIF Partner Agencies, EU, AfDB, SIDA, ECOWAS, and others;

- SIDA- The Swedish International Development Agency is supporting the WTO accession process;
- The NIU functional relationship with the DF (World Bank) has been significantly improved with the preparation of the DTIS Update.

#### Action Matrix Implementation (Outcome 4)

	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	0	0	0
O4.2: Government budget contribution	Y	Y	Y				

- The World Bank is being proposed to lead the DTIS Update process;
- Two draft Tier 2 projects on (i) Small-Holder Capacity Development (SCAD); and (ii) Liberia Value Addition Centre are in the NIU's pipeline;
- Liberia's Sanitary and Phyto-sanitary (SPS) System is under development by the MoCI with support of the EU. The first version of a Tier 2 proposal on SPS capacity building prepared with support of UNIDO was sent to the ES and the TFM whose comments were transmitted to the NIU;
- An AfDB programme to support Liberia's Trade Support Institutions was approved.

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

- The disbursements to the project were frequently delayed as a result of non-compliance with MOU requirements, particularly non submission of financial reports.
- The NIU experienced a very high staff turnover reportedly due to poor performance and continuous conflicts between the staff. This has limited the implementation of project activities and submission of reports. The Focal Point position was vacant and no clear step was taken to replace the former FP who left to another ministry.
- The Focal Point position was vacant for an extended period of time

### IV. OUTLOOK 2012

- According to the NIU's work-plan 2012, expected results till December 2012 include: (i) a Made in Liberia Trade Centre established; (ii) a Resource Centre established at the Liberia Chamber of Commerce (LCC); (iii) DTIS Update process carried out by the World Bank (iv) a mid-term evaluation of the Tier 1 project completed before the end of the year to determine the possibility of a two-year extension of the project; (v) a trade linkage study to facilitate SMEs, SMIs, smallholders, and traders increasing exports.
- A joint supervision mission of the ES and the TFM will be undertaken in February 2012 and will make strong recommendations to the Minister to improve the institutional and fiduciary framework, noticeably by appointing a new Focal Point and improving the supervision of the NIUC and staff by the Ministry.

### V. CONTEXT AND OTHER REMARKS

The effectiveness of the EIF programme in the country is challenged by the fact that the NIU is working in isolation and lack of supervision by the FP and the Ministry, missing of deadlines for reports submission and high turnover of staff.

The ES and the TFM will continue to closely monitor the situation, particularly with regard to the urgent appointment of the FP and practical steps to integrate the NIU into in the Ministry.

## Madagascar



With the signing of the Road Map for presidential elections in September 2011, an opportunity arose for Madagascar to start implementing the EIF. At a meeting between the Delegation from Madagascar and the ES/TFM at the margins of the December 2011 WTO Ministerial, steps to familiarize the stakeholders in Madagascar with the EIF and prepare for a DTISU were discussed.

### Outlook

- EIF Familiarization Workshop organized by the Government of Madagascar, UNDP and the ES in Q2;
- Preparation of DTISU in Q3 and possibly start of the DTISU process in Q4.

# Malawi



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update	
<b>Project dates</b> (if applicable)	Board Approval: 23-Sep-09 (approval of revised proposal on 28-Jun-11) MoU Signature: 23-Nov-09 *amendment on 13-Sep-11 following resubmission of project to EIF Board) First Transfer of Funds: 8-Dec-09 MoU Expiry: 12-Sep-14	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:
<b>Approved budget</b> (if applicable)	US\$899,250	US\$100,000 (pending MIE)
<b>Financial transfers</b> (if applicable)	NIA Support	NIA Support
	Transfer Made in 2011: US\$0.00	Transfer Made in 2011: US\$0.00
	Total amount transferred: US\$199,800.00	Total amount transferred: US\$0.00
<b>Financial reports (FR) received</b> (if applicable)	NIA Support	NIA Support
	No. of FRs Received: 2 No. of FRs Pending: 0	0 0
Total expenditure reported:	US\$36803.00	US\$0.00
<b>Technical reports (TR) received</b> (if applicable)	NIA Support	NIA Support
	No of TRs Received: 0 No of TRs Pending: 0	0 0

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.00	0.01	
Poverty headcount			
Per capita growth rate	7.6	7.1	4.6
Gini-coefficient			
Purpose Indicators			
Value of non-oil goods traded (US\$ mil)	920	1066	
Non-oil goods traded diversification			
Logistics performance index	2.42		
World Bank doing business-trading across countries	131	132	133
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

II. RESULTS							
OUTCOME INDICATORS AND RESULTS							
<b>Institutional Capacity (Outcome 1)</b>							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	2004	Y	Y	O1.5: Trade Strategy quality	5	5	1
O1.3: Fiduciary capacity	3	0	3	O1.6 Trade Strategy implemented	5	5	5
<ul style="list-style-type: none"> <li>The NSC has been activated and held two meetings in the reporting period, back to back with a NSC sensitization workshop ;</li> <li>The NIU was established in September 2011 in the form of a national EIF Secretariat consisting of two project officers and an accountant that are staff of the Ministry of Trade and Industry (MTI). A project advisor is being recruited.</li> <li>The National Export Strategy (NES) is being finalised to support the implementation of trade strategy;</li> </ul>							
<b>Mainstreaming (Outcome 2)</b>							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	Y	Y	Y	O2.3: Public-Private Dialogue	3	0	3
O2.2: Trade in Productive Sector Strategies	2004	Y	Y				
<ul style="list-style-type: none"> <li>A review of the 2003 DTIS is under preparation with support from the World Bank. The review/update aims at identifying trade-related needs and supply-side constraints faced by Malawi, taking into account the Malawi Growth and Development Strategy II priorities and the NES;</li> <li>A Trade Working Group to support trade mainstreaming is under consideration.</li> </ul>							
<b>Coordination of AfT (Outcome 3)</b>							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	2	2	2	O3.4: Joint donor initiatives in trade	N	N	Y
<ul style="list-style-type: none"> <li>An Industry, Trade and Private Sector Development Sector Wide Approach (SWAp) is being developed by MTI. The aim of the SWAp is among other things to coordinate donor assistance to industry, trade and private Sector development. The EIF Secretariat is working with the department of planning to synergy the MTI's SWAP process with the development of SWAPs in the Education, Health, and Agriculture sectors.</li> <li>A donor matrix/AfT database has been created by the EIF Secretariat as a means to enhance donor coordination.</li> </ul>							
<b>Action Matrix Implementation (Outcome 4)</b>							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	4	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	0(0)	0(0)
O4.2: Government budget contribution	Y	Y	Y				
Three Tier 2 projects have been identified will be discussed at the upcoming NSC meeting in March 2012. They include: (i) Development of Arts and Crafts Industry in Malawi to promote production,							

marketing and exports of arts and crafts from Malawi's Micro, Small and Medium Enterprises; (ii) Supply Chain and Logistics Development aims at providing support to selected smallholder farmers in Lilongwe and Dowa districts to achieve higher income through improvement of the supply chain linking farmers to domestic and international markets; (iii) Agro-Food Processing and value addition with a view of identifying products with high value addition and exports potential and to develop bankable project proposals in the identified areas.

### **III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

While the project was originally approved late 2009 and an initial transfer was made available soon after, the project implementation did not start until September 2011 after the approval of a revised project proposal by the EIF Board and subsequent amendment to the MOU. The project is now entirely under the operational umbrella of the Ministry of Trade and Industry. A 'Start Up Facilitation Mission' from the TFM took place in November 2011 and a supervision mission will take place at the end of June 2012. Progresses, measured against the yard stick of budget burning rate, are very slow.

### **IV. OUTLOOK 2012**

Being in the start-up stage, the Malawi EIF Secretariat is expected to focus on the implementation of the Tier 1 work plan, DTIS Update (with World Bank implementation) and Tier 2 development. The ES and the TFM support to Malawi will cover these areas. Due to the sudden change of the President, the implementation of the Tier 1 seems to lack political support and is therefore relatively slow. The ES and the TFM plan to field a mission to Lilongwe to facilitate the start-up and speed up the implementation of the project.

### **V. CONTEXT AND OTHER REMARKS**

After a period of suspension due to the restructuring of national project implementation units, the revision of the Tier 1 project was submitted and approved by the Board on 28 June 2011.





<b>Project(s)</b> (if applicable)	Tier 1 NIA Support	
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	22-Dec-2010 19-Jan-2011 24-Jan-2011 31-Dec-2013*
<b>Approved budget</b> (if applicable)	US\$900,000.00	*MoU to be amended after operational extension of UNOPS mandate as TFM
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS/DTIS Update:
	Transfer Made in 2011: US\$300,000.00  Total amount transferred: US\$300,000.00	Total amount transferred:
<b>Financial reports (FR) received</b> (if applicable)  No. of FRs Received: No. of FRs Pending:	NIA Support	DTIS Update:
	2 0	
Total expenditure reported:	US\$127 478	
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support	DTIS Update:
	1 Number	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.00	0.00	
Poverty headcount			
Per capita growth rate	-6.5	9.861	6.5
Gini-coefficient			
Purpose Indicators			
Value of non-oil goods traded (US\$ mil)	169	200	
Non-oil goods traded diversification			
Logistics performance index			
World Bank doing business-trading across countries	71	96	85
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

II. RESULTS							
OUTCOME INDICATORS AND RESULTS							
Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.4: Trade strategy updated	Y	Y	Y
O1.2: DTIS-AM	2006	N	N	O1.5: Trade Strategy quality	2	2	2
O1.3: Fiduciary capacity	0	3	2	O1.6 Trade Strategy implemented	4	3	3
<p>The Government of Maldives has been successfully implementing Tier 1 since the beginning of 2011. The project gathered momentum by end of first quarter when the NIU was fully established with the placement of three advisors and provision of computer equipment. Orientation on EIF was given to key Ministry of Economic Development staff and other stakeholders, capacity building workshops were conducted, a strategic partnership program with a Singapore corporation was established and links with Malaysian and Indonesian industries were initiated.</p> <p>The NSC (NTPCC) was elevated to a policy level, i.e ministerial level and was active. Extensive technical support was given by the NIU advisors to the MED. Two Tier 2 proposals were initiated and developed to a good degree. However, during the last quarter of 2011 the implementation slowed down due to redundancy program of the government and consequent reduction of staff in MED and increased workload of the NIU staff.</p> <p>Results in institutional set up and implementation of sustainability strategy</p> <ul style="list-style-type: none"> <li>The NSC and the NIU are functional. The MED is engaged in the implementation of the EIF.</li> <li>The NIU is well integrated with the government structure, namely the MED. The NIU staffs are reportedly working closely with the government staff thus transferring knowledge and paving the way for sustainability, however, there is room for the government staff to engage more. It is also reported that the current NIU staff will be given the opportunity to join the government at the end of the EIF project.</li> </ul>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	3	3	3	O2.3: Public-Private Dialogue	1	1	1
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<ul style="list-style-type: none"> <li>The DTIS has been included in the National Strategic Plan. Other key line ministries were requested to consult MED on any activities linked to trade.</li> <li>MED has reportedly established partnerships with the line ministries, and donors in an effort towards mainstreaming trade.</li> </ul>							
Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	4	3	3	O3.4: Joint donor initiatives in trade	N	N	Y
Two Tier 2 proposals have emerged from the DTIS Action matrix and one more is in a conceptual stage.							
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	0	3	O4.4: Number and amount of projects funded from DTIS-AM	2(27)	0( )	3(3.2)
O4.2: Government budget contribution	N	Y	Y				

In addition to UN agencies based in the Maldives, ADB, IDB, WB, IFAD coordinate in the attempt to synergize trade mainstreaming efforts.

There are four projects financed from the DTIS-AM

### **III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

In 2011, most of the required fleet of equipment has been procured and all advisors recruited. Government procedures have been followed satisfactorily. First audit report is expected soon. Regular TFM missions were undertaken to Maldives (March 2011, November 2011) and the next will be in June 2012.

### **IV. OUTLOOK 2012**

The government is undertaking revisions for EIF Board submission of a Tier 2 project proposal on the topic of modernization of customs services. The outlook is positive given the recent assurance of continuity and the rapid response that has been the modus operandi of the past few months.

### **V. CONTEXT AND OTHER REMARKS**

There is no Donor Facilitator identified for Maldives ever since the previous DF, the EU, withdrew. The task of identifying a DF is very challenging since there are very few donors who have a residential presence in Maldives.

The Government has expressed their interest for a multilateral organization to serve as Donor Facilitator.

Mali



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update	
<b>Project dates</b> (if applicable)	Board Approval:	14-Jul-2010
	MoU Signature:	9-Aug-2010
	First Transfer of Funds:	13-Aug-2010
	MoU Expiry:	8-Aug-2013
<b>Approved budget</b> (if applicable)	US\$899,378.00	Plus US\$100,000.00 for DTIS Update (pending MIE selection)
<b>Financial transfers</b> (if applicable)	NIA Support	
	Transfer Made in 2011: US\$149,873.00	
	Total amount transferred: US\$299,746.00	
<b>Financial reports (FR) received</b> (if applicable)	NIA Support	
	No. of FRs Received:	5
	No. of FRs Pending:	0
Total expenditure reported:	US\$217,923.00	
<b>Technical reports (TR) received</b> (if applicable)	NIA Support	
	No of TRs Received:	2
	No of TRs Pending:	0

**I. GOAL AND PURPOSE INDICATORS**

<b>Goal Indicators</b>	<b>Baseline</b>	<b>Y1</b>	<b>Y2</b>
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01	0.02	
Poverty headcount		50.4	
Per capita growth rate	4.5	4.5	5.3
Gini-coefficient		33	
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	2100	2350	
Non-oil goods traded diversification			
Logistics performance index	2.29	2.27	
World Bank doing business-trading across countries	162	155	153
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	N	N	N <sup>32</sup>
O1.2: DTIS-AM	2004	N	N	O1.5: Trade Strategy quality	5	5	5 <sup>33</sup>
O1.3: Fiduciary capacity	0	2	2	O1.6 Trade Strategy implemented	5	5	5
<p>O1.1 NIU fully operational and NIU coordinator attended the weekly cabinet coordination meetings chaired by the Minister of Trade. Training activities are provided to both relevant government staff and the private sector. 9 out of 10 activities contained in the Tier 1 work plan have been implemented by the NIU and the EIF reporting requirements are also being met. The agencies of the National Implementing Arrangements (NIAs) held their meetings regularly and during the reporting period, the NSC has approved the Tier 2 project on Gum Arabic.</p> <p>Capacity building activities were provided to government officials, the private sector and women entrepreneurs including those in the rural areas active in agro products processing. Implementation of the Tier 1 activities contained in the work plan is on-going. From May 2011 a consolidation of the National Implementing Unit (NIU) was undertaken through training and capacity building activities for the staff of the Ministry of trade and the Ministry of transport. Eight (8) training activities benefited 132 members of the private sector on sensitization and information, export promotion, standards, certification, hygiene and quality of agro-processed products. Sixty-five women participated in these activities including attending trade fairs and business forum in the ECOWAS region (Dakar and Cotonou) and in South Africa.</p> <p>O1.2: The Mali DTIS is in place and the NIU has finalized the Terms of reference for a DTIS Update with consultations being made by the NIU for the designation of a Main Implementing Entity will be launched in 2012.</p> <p>O1.4: The GPRS which covers the period 2012-2017 (PRSP) has a strong trade component and the country has indicated the formulation of a National trade development strategy which is included in the Tier 1 project 2012 work plan. GPRS</p> <p>On the sustainability strategy, the Government is disbursing its contribution to the Tier 1 project. It should be noted however, that the contribution for 2011 has been reduced in June by 24.1% (from CFA 1 billion to CFA 759 million) due to the budgetary constraints of the Government. This situation did have an impact on the implementation of the work plan and activities have been reduced in quarters 3 and 4 of 2011. Even during the political crisis, the NIU received funds from the Ministry of Finance, in part due to the high profile of the EIF programme in the country.</p>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	2	2	2	O2.3: Public-Private Dialogue	2	2	2
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<p>O2.1 Trade has been mainstreamed in the first pillar of the 3rd GPRS 2012-2017 and its PAP has identified the EIF programme as a national priority which needs to be financially supported by the Government for the next five years. The active participation of the Ministry of trade in the preparation of the strategy and the visibility of the EIF has contributed to this outcome. The NIU actively participated in the preparation of the 3rd generation of Mali's Growth and Poverty Reduction Strategy (GPRS 2012-2017) and the finalization of its Priority Action Programme (PAP) which secured the Government's financial contribution to the EIF programme for the next five years. Mali's development partners actively participated in the GPRS process.</p> <p>O2.2 Trade has been mainstreamed in agriculture and environment.</p>							

<sup>32</sup> The GPRS of 2012-2017, which was prepared in 2011, has a strong trade component drawn out of the DTIS and subsequent sectoral strategies. Funding is also programmed up to 2017 to support the EIF.

<sup>33</sup> The ES believes that there has been progress in this indicator, which should possibly improve to 3.

O2.3 Public-Private dialogue is regularly conducted in Mali and also through the National Implementing arrangement where the Private sector is represented

#### Outreach

Mali has undertaken many outreach and sensitization activities to promote country ownership of the programme including externally at trade fairs and through its EIF website (<http://www.cadrintegremali.org/>). This has helped to bring on board a range of stakeholders, for example in the mango sector. These networks featured in the EIF "Trade Works" film and there has been high-profile coverage of the programme with flyers, in a recent economic trade magazine as well as through TV and print coverage to promote visibility in-country, including during the EIF regional workshop for West Africa. Mali also features in the EIF country profile series, now available in English and French.

#### Coordination of AfT (Outcome 3)

	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade		Y*	Y <sup>34*</sup>

USAID relinquished its position as Donor Facilitator (DF) but is continuing to assist the programme until the appointment of new DF. The consultation process is on-going with development partners for the identification and appointment of a new DF

O3.2 Donors and Government are regularly meeting around the Monitoring mechanism established for the GPRS process which contributed to improving the coordination and cooperation with Development Partners in favour of trade mainstreaming and private sector development.

In addition, regular consultations are held between the NIU and the private sector cluster of development partners around the GPRS. They are briefed on the progress of the EIF implementation.

O3.4 UNDP has provided funding to the Government of Mali through the strategic partnership signed with the Government in April 2010.

#### Action Matrix Implementation (Outcome 4)

	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	1	1	1	O4.4: Number and amount of projects funded from DTIS-AM	1(8)	0(0)	7(47.4)
O4.2: Government budget contribution	Y	Y	Y				

O4.1 The GPRS 2012-2017 has programmed its funds for the next five years to support the EIF in Mali

O4.2 The Government of Mali has contributed a significant amount of funds to the budget of the Tier 1 (30%) and Tier 2 (39%) in the projects approved by the Board

Finalization of Tier 2 project on Gum Arabic is expected to be approved by the EIF Board in February 2012;  
 Development of the first draft of a Tier 2 project on Mango to support the processing unit of the women association of Yanfolila;  
 Preparation of a Tier 2 project proposal on Shea butter;  
 Preparation of the terms of reference for the Diagnostic Trade Integration Study (DTIS) Update;  
 Organization of 8 capacity building activities for the private sector with active participation of women;  
 Sensitization workshop on regional trade in ECOWAS and on trade facilitation issues face by exporters;  
 Experience sharing with other EIF Beneficiary countries is being enhanced by Mali. An EIF delegation from Burkina Faso and the NIU Coordinator from the Democratic Republic of Congo visited the country in September 2011.

O4.4: In 2011 there were seven projects financed from the DTIS-AM worth a total value of US\$47.4 million.

<sup>34</sup> This indicator has not been verified with the country but is the opinion of the ES.

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

The Tier 1 MOU was signed on 9 August 2010 and 2 disbursements have been made to the project since the first disbursement made on August 19, 2010. A Start-up facilitation mission was undertaken in November 2010 and a supervision mission in August 2011. The project budget was revised and cleared in March 2011. The quarterly financial reports were received with delays in 2010 and 2011. Most delays are imputable to the weak financial coordination between UNDP and the UNMOCI and delays by UNDP in transmitting financial data to the project. There are also delays in the availability of funds from the Government and the Strategic partner UNDP, and delays in the procurement process.

### IV. OUTLOOK 2012

Following approval of the Tier 2 Arabic Gum project, the signing of the MOU will be conditional on the political stability in the country;

Finalization of the Tier 2 project on Mango;

Launch of the DTIS Update;

Appointment of a new DF;

Mission of TFM in Q4 pending political situation.

### V. CONTEXT AND OTHER REMARKS

Appointment of a new Minister of Trade and Industry, with the installation of the new Government in August 2012

The EIF, in close cooperation with the NIU Coordinator, assess the risks and their potential impact on the current situation in Mali on the implementation of the EIF programme;

The NIU actively participated in the UN LDC IV held in Istanbul, Turkey in May 2011 as well as the 3rd Aid for Trade Global Review at the WTO in July 2011 and the 8th WTO Ministerial Conference (MC8) in Geneva. A successful Malian business woman, member of the EIF National Steering Committee and a mango exporter was the guest speaker invited by the WTO and the Executive Secretariat for the EIF for Women International Day of 2012 to share Mali' experience of empowering women. The NIU also finalized the development of 1 Tier 2 project, on Gum Arabic and started the preparation of a second project on Mango processing. Many communication activities raised greater awareness of the usefulness of EIF programme among the population and the relevant stakeholders.

## Mauritania



Mauritania participated in the EIF Regional Workshop held in Bamako in December 2010 and the Focal Point indicated that his country will move forward in the EIF Process in 2011. In May 2011, the Focal Point did provide to the ES information on Government willingness to resume with EIF noticeably by preparing a Tier 1 proposal.

Despite regular engagement with the Focal Point for the time being, Mauritania is the only country in West Africa which has not submitted a Tier 1 project document.



# Mozambique



## **Institutional Capacity (Outcome 1)**

There has been significant progress on EIF activities in Mozambique during the reporting period. The finalization of the EIF Tier 1 proposal has been underway, in preparation for submission to the EIF Board in early 2012. The institutional structure of the EIF in Mozambique has recently undergone changes. Cerina Banú Issufo Mussá, former EIF Focal Point, has become the Permanent Secretary of the Ministry of Industry and Commerce (MIC). The EIF Focal Point position has been assumed by Calado Domingos da Silva, Director International Relations of the Ministry.

## **Mainstreaming (Outcome 2)**

In May 2011, the Government of Mozambique approved its new Poverty Reduction Action Plan (PARP) for 2011-2014, which features trade in its objectives and priorities.

## **Coordination of AfT (Outcome 3)**

The European Union has served as the DF since March 2010. It is expected that in mid-2012, Germany will assume the position of DF due to a rotating arrangement for the DF role. Recent developments show some degree of donor harmonization of activities, given that they periodically meet.

## **Action Matrix Implementation (Outcome 4)**

### **I. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

The TFM undertook a short project development support mission to Mozambique in October 2011 for the finalization of the project's fiduciary matters.

### **II. OUTLOOK 2012**

Submission of the Tier 1 project to the EIF Board for approval is expected in early 2012. It is therefore foreseen that there will be a functioning NIU during the second or third quarter of 2012.

### **III. CONTEXT AND OTHER REMARKS**

It is expected that agencies will play an advisory role in regard to the recruitment of an International Trade Advisor (ITA).



<b>Project(s)</b> (if applicable)	NIA Support		
<b>Project dates</b> (if applicable)	Board Approval:	15-Mar-2010	
	MoU Signature:	30-Mar-2010*	*MOU Amended on
	First Transfer of Funds:	30-Apr-2010	on
		29-Mar-2013	25-Feb-2011
	MoU Expiry:		
<b>Approved budget</b> (if applicable)	US\$900,000	Incl.	
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS Update:	
	Transfer Made in 2011: US\$157,100.00	US\$	
	Total amount transferred: US\$314,200.00	Total amount transferred: US\$	
<b>Financial reports (FR) received</b> (if applicable)	NIA Support	DTIS Update:	
	No. of FRs Received: 5		
	No. of FRs Pending: 0		
Total expenditure reported:	US\$221,406.00		
<b>Technical reports (TR) received</b> (if applicable)	NIA Support	DTIS Update:	
	No of TRs Received: 2		
	No of TRs Pending: 0		

**I. GOAL AND PURPOSE INDICATORS**

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01	0.01	
Poverty headcount		24.8	30.9
Per capita growth rate	4.411	4.553	3.5
Gini-coefficient		32.8	
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	813	860	
Non-oil goods traded diversification			
Logistics performance index	2.14	2.2	
World Bank doing business-trading across countries	123	112	116
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'11		BL	'11
O1.1: Support to NIAs			O1.4: Trade strategy updated		
O1.2: DTIS-AM			O1.5: Trade Strategy quality		
O1.3: Fiduciary capacity			O1.6 Trade Strategy implemented		

**Progress was made over the reporting period in building institutional capacity to formulate and implement trade related strategies and implementation Plans. In particular, an outreach plan was formulated and implemented. However, the almost simultaneous departure of the FP, NIUC and National Programme Manager in mid-2011 has had some impact on the programme.**

O1.1: Over the reporting period, the NIUC (in Nepal a government official) was replaced and the NIU NPM (funded from EIF funds) departed. Recruitment for a new NPM was launched but not finalised over the reporting period. The NSC met 9 times over the reporting period, chaired by the FP. The FP changed over the reporting period; Mr Purushottam Ojha was replaced by Mr Mr. Lal Mani Joshi, Secretary at the Ministry of Commerce and Supplies. Germany remains Nepal's DF with both the Counsellor at the Embassy Mr Udo Weber and the head of the GIZ office Mr Philipp Kruschel working with the FP and NIU.

#### Capacity building

Capacity building activities took place for the NIU and NSC in areas of EIF, Aid for Trade and project development. A delegation from Nepal participated in an EIF M&E Capacity building workshop in Entebbe in December 2011; subsequent efforts to revise the Tier 1 logframe and 2012 work plan are still ongoing.

#### Outreach

Nepal has developed a detailed communications work plan on engaging priority stakeholders in the programme. The team has made strong outreach efforts including launching an EIF/Aid for Trade website (<http://www.eifnepal.mocs.gov.np/>), a newsletter series, NTIS Action Matrix calendar and other high-profile press and media coverage to bring on board stakeholders including on projects on ginger and pashmina. The EIF Trading Stories project built on this momentum by further sensitizing a broader group of stakeholders about the EIF programme. A session was held with the NIU and Ministry officials to look at opportunities to align the communications activities with the current work plan priorities and explore synergies with more partners.

O1.2: The Nepal Trade Integration Strategy (NTIS) Action Matrix was validated in 2010 and remains up to date.

O1.4: See O1.2.

#### Mainstreaming (Outcome 2)

	BL	'11		BL	'11
O2.1: Trade in the National Development Plan			O2.3: Public-Private Dialogue		
O2.2: Trade in Productive Sector Strategies					

**Progress was achieved in mainstreaming through completing the setup of a public-private sector coordination and consultation mechanism and strengthening EIF coordination with the private sector; also, the Three Year Plan which was developed in 2010 was validated in 2011.**

O2.1: Trade forms part of the Three Year Plan finalised in 2011; trade priorities based on the 2010 NTIS is one of the six strategic axes.

O2.2: Integration of trade aspects in sector strategies for industry and agriculture over the reporting period.

O2.3: Public-private sector coordination and consultation was strengthened through completing a national implementation mechanism including all key government institutions and the private sector was established over the reporting period (with six NSC subcommittees for different areas of trade development established, and TOR for these subcommittees elaborated. The subcommittees met twice over the reporting period). Dialogue with the private sector was intensive over the reporting period by signing an MOU with the Federation of Nepal Chamber of Commerce and Industry (FNCCI) and organising workshops on NTIS implementation in Kathmandu and three other provinces. There were also capacity building activities for academia and private sector in mainstreaming priorities from the NTIS (in Kathmandu and 3 provinces outside Kathmandu).

#### Coordination of Aft (Outcome 3)

	BL	'11		BL	'11
O3.1: Annual joint sector implementation overview			O3.3: UN CEB activities based on DTIS-AM		
O3.2: Frequency of Government-Donor consultation in trade			O3.4: Joint donor initiatives in trade		

**Led by the DF, there is a good level of donor coordination on AFT in Nepal; no new milestone was reached in 2011.**

O3.1: As part of NTIS implementation updates, the NIU prepared an overview of all on-going donor support to the NTIS.

#### Action Matrix Implementation (Outcome 4)

	BL	'11		BL	'11
O4.1: Medium-term Programme			O4.4: Number and amount of projects funded from DTIS-AM		
O4.2: Government budget contribution					

**Progress has been made to implement the DTIS Action Matrix priorities.**

O4.1: Nepal has not yet developed an EIF Medium-term Programme.

O4.2: Support through the Government budget for priority actions to advance SPS standard compliance, trade facilitation, and work on Technical Barriers to Trade (TBT).

O4.4: Following the EIF ES and STDF Project Development workshop in March 2011, two T2 project proposals were developed (one to strengthen the ginger value chain, and one to strengthen the value chains for pashmina, tea and cloves). The ginger project was submitted for co-funding to the STDF and EIF; STDF approved the project in June 2011; to prepare for EIF Board approval, additional consultations between the EIF TFM and the MIE (FAO) were necessary, and additional information regarding the implementation modality for the components to be funded by the EIF TF were undertaken over the reporting period. Further work on the other T2 project for which ITC has been identified as MIE had been postponed to 2012.

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

- Though the progress picked up to some degree until the middle of 2011, it slowed thereafter with the resignation of the EIF Manager for better career prospects. Subsequent change of key personnel like the NIUC and FP further deteriorated the progress.
- One Audit report has been submitted which was a clean report.
- The TFM is conducting regular supervision missions (a mission is planned for February 2012 to address the relatively slow progress).

#### **IV. OUTLOOK 2012**

- EIF Board approval of the STDF/EIF co-funded Ginger project in Q2;
  - Further elaboration and finalisation of the T2 project with ITC over 2012 with submission of the project to the EIF Board expected in Q4;
  - EIF ES/TFM support for revising the EIF Tier 1 project logframe, work plan and budget;
- Joint ES/TFM monitoring and support mission in Q3 or Q4.

#### **V. CONTEXT AND OTHER REMARKS**

The departure of the EIF Focal Point, and the change of the NIU Coordinator and NIU National Programme Manager in rapid succession in the summer of 2011 has been a setback for the EIF implementation in Nepal. This has impacted the revision of the EIF Tier 1 project logframe, work plan and budget for 2012. .



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update		
<b>Project dates</b> (if applicable)	Board Approval:	26-Jan-2011	* To be amended after operational extension of UNOPS mandate as TFM
	MoU Signature:	25-Feb-2011	
	First Transfer of Funds:	27-May-2011	
	MoU Expiry:	31-Dec-2013	
<b>Approved budget</b> (if applicable)	US\$900,000	Plus US\$200,000.00 for DTIS Update (pending MIE selection)	
<b>Financial transfers</b> (if applicable)	NIA Support		
	Transfer Made in 2011: US\$150,000.00		
	Total amount transferred: US\$150,000.00		
<b>Financial reports (FR) received</b> (if applicable)	NIA Support		
	No. of FRs Received:	2	
	No. of FRs Pending:	0	
Total expenditure reported:	US\$401.00		
<b>Technical reports (TR) received</b> (if applicable)	NIA Support		
	No of TRs Received:	1	
	No of TRs Pending:	0	

#### I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01	0.01	
Poverty headcount	59.5		
Per capita growth rate	-1.2	8.806	5.5
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	900	930	
Non-oil goods traded diversification			
Logistics performance index	1.97	2.54	
World Bank doing business-trading across countries	174	171	173
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	N	Y	Y	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity	0	0	3	O1.6 Trade Strategy implemented	5	5	5
<p>O1.2: Tier 1 to be implemented once the staff are recruited and the NIU operational.</p> <p>O1.2: The DTIs was validated by the Government in 2010</p> <p>O1. The Development of a national development strategy will be funded with Government contribution to the Tier 1 project and the process for the revision of the DTIS is scheduled to be launched in 2012.</p>							
Mainstreaming (Outcome 2)							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	2	2	2	O2.3: Public-Private Dialogue	2 <sup>35</sup>	2	2
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<p>O2.1 Trade was integrated into the last PRSP and the new government, put in place after the Presidential election of 2011, is preparing a new National Development Plan (2012-2015).</p> <p>O2.3 The dialogue with the private sector which was on-going has improved with the launch of the National Council of Private Investors' activities (NCPI). The NCPI is chaired by the Prime Minister and the Minister of Trade as Vice –chair. The development partners also are represented and one of the major objectives of this council is to identify and address impediments to private sector development.</p>							
Coordination of Aft (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	N	N	N
O3.2: Frequency of Government-Donor consultation in trade	5	5	2	O3.4: Joint donor initiatives in trade	N	N	N
<p>O3.2: The consultations used to be done within the framework of the "Conseil National des Investissements Privés" but consultations were suspended in 2010.</p>							
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	2(40)	0(0)	2(1.6)
O4.2: Government budget contribution	Y	Y	Y				
<p>O4.1: The Formulation of a national trade development strategy is contained in the Tier 1 project work plan for 2012</p> <p>O4.4: Two projects worth US\$60 million are funded from the DTIS Action Matrix</p>							
III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS							
<p>Following the first disbursement, the TFM assisted the Focal Point to prepare the TORs of the staff of the NIU. The financial reports were submitted with delays and TFM could not undertake the scheduled start up facilitation mission since the NIU was not established. This mission was rescheduled to first quarter 2012.</p>							

<sup>35</sup> The ES believes that there has been progress, and the baseline figure may be 3.

#### **IV. OUTLOOK 2012**

Recruitment of the NIU Staff, and operationalization of the NIU

Revision of the Project work plan

Implementing the project activities

Development of a Tier 2 project on hides and Skin

#### **V. CONTEXT AND OTHER REMARKS**

The Ministry of Trade is also in charge of the promotion of the Private Sector, and is the Vice Chair of the "Conseil National des Investissements Privés" (CNIP) chaired by the Prime Minister.

It took time to operationalized NIU because of the political context (elections first quarter of 2011). During the reporting period, the Focal Point was undertaking all the necessary steps towards the operationalization of the NIU. It is expected that the NIU will be fully operational in Q1 2012.



# Rwanda



<b>Project(s)</b> (if applicable)	NIA Support and DTISU Update	
<b>Project dates</b> (if applicable)	Board Approval:	23-Sep-2009
	MoU Signature:	20-Oct-2009
	First Transfer of Funds:	23-Oct-2009
	MoU Expiry:	19-Oct-2012
<b>Approved budget</b> (if applicable)	US\$834,400	Plus US\$100,000 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS Update (pending DTIS Update-related activities):
	Transfer Made in 2011: US\$145,400.00	US\$
	Total amount transferred: US\$498,200.00	Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:	NIA Support	DTIS Update:
	7 1	
Total expenditure reported:	US\$453,939.42	
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support	DTIS Update:
	3 0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.00	0.00	
Poverty headcount			63.2
Per capita growth rate	4.1	7.5	7
Gini-coefficient			50.8
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	193	297	
Non-oil goods traded diversification			
Logistics performance index	1.77	2.04	
World Bank doing business-trading across countries	143	70	58
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	N	N	Y
O1.2: DTIS-AM <sup>36</sup>	N	N	Y	O1.5: Trade Strategy quality <sup>37</sup>	5	5	1
O1.3: Fiduciary capacity	3	4	4	O1.6 Trade Strategy implemented	5	5	2

**Significant progress was made over the reporting period in building institutional capacity to formulate an implement trade related strategies and implementation Plans. In particular, a DTISU including Action Matrix, a National Trade Policy and a National Export Strategy document were all validated in 2011.**

**O1.1:** During 2011, the EIF NIU prepared a major change in the institutional set-up for the EIF Tier 1 project. Following a decision by the Rwandan government to establish Single Project Implementation Units (SPIUs) to take on the functions of existing NIUs in all Ministries where donor funded projects were implemented, the functions of the EIF NIU were taken over by the SPIU at the Ministry of Industry and Commerce at the end of 2011. Most of the NIU staff were integrated into the SPIU (including the Coordinator who had joined the NIU in March 2011) and the EIF Tier 1 workplan and budget integrated into the SPIU's workplan and budget. To prepare for the transition from NIU to SPIU was an important part of the NIU's workplan in 2011 which led to the delay of some activities originally programmed for 2011. The formalisation of the transition from NIU to SPIU implying changes in the MOU between the Government of Rwanda and UNOPS is still ongoing in 2012.

The EIF Focal Point remains the PS at the Ministry of Industry and Commerce Mr Emmanuel Hategeka; Rwanda's Donor Facilitator remains DFID; regular meetings were held with the local economist Mr Douglas Kigabo. The NSC functions in Rwanda are undertaken by the National Trade Development Policy Forum (NTDPF) which meets at a quarterly basis.

#### Capacity building

To advance institutional capacity building, skills gaps were identified for the Ministry of Industry and Commerce (MINICOM) and staff trainings undertaken in trade mainstreaming and gender mainstreaming.

Eight sensitization workshops were organised for the business community on Intellectual Property Rights (IPR), standards, and the DTIS. A pilot capacity building workshop on gender mainstreaming took place in November, funded and organised by ITC and the EIF ES.

Delegations from Rwanda participated in two regional EIF capacity building workshops in 2011 – the first one was a general EIF Regional Capacity Building workshop in March 2011 in Maseru for Southern and Eastern African countries; the second an EIF M&E Capacity Building workshop in December 2011 in Entebbe. Following the M&E workshop the EIF Tier 1 project logframe will be revised, and subsequently also the 2012 workplan and budget to make it consistent with the logframe. **O1.2 & O1.4:** Over 2011, a number of national strategic documents were finalised with the support of the EIF Tier 1 project: A National Trade Policy in early 2011, a National Export Strategy (NES) in April 2011, and the DTISU in July 2011 (Action Matrix validation in December 2011).

The NES covers cross-cutting and sector specific issues, describes the stakeholder consultation process and includes an implementation plan.

<sup>36</sup> DTIS validated in 2011.

<sup>37</sup> No trade strategy available prior to 2011, so rating for quality of strategy and its implementation 5 (unsatisfactory) prior to 2011.

<b>Mainstreaming (Outcome 2)</b>							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	1	1	1	O2.3: Public-Private Dialogue	1	1	1
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<b>Trade mainstreaming is well under way in Rwanda; no specific milestone had been reached in 2011.</b>							
<p><b>O2.1:</b> Trade is integrated into Rwanda's Economic Development and Poverty Reduction Strategy (EDPRS) 2008-2012 which identifies exported oriented growth as one of four key priorities. To achieve the target of increasing export growth from 10% to 15% p.a., the focus is on value addition and export diversification of agricultural products and on mining. Implementation of the EDPRS is through three flagship programmes of which the "Growth for Jobs and Exports" one focuses on improving the business and investment climate to enable the agricultural, manufacturing and service sector to develop competitive products for the domestic, regional and global market place.</p>							
<p><b>O2.2:</b> Trade is included in the following productive sector strategies: Five-year Strategic Plan for the Environment and Natural Resources Sector (2009 – 2013), in particular for mining exports, and tourism (Mountain Gorilla viewing); Rwanda Tea Strategy (2008), Rwanda Coffee Strategy (2008), Rwanda Horticulture Strategy /2006) and Rwanda Craft Industry Strategic Plan (2009 – 2013) and the Tourism Policy and Master Plan (2009) and the Hides and Skins Policy (2009).</p>							
<p><b>O2.3:</b> Intergovernmental and private sector consultation on trade issues was undertaken under the auspices of the National Trade Policy Forum (NTPF) which meets quarterly.</p>							
<b>Coordination of AfT (Outcome 3)</b>							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	1	1	1	O3.4: Joint donor initiatives in trade	Y	Y	Y
<b>The DTISU identifies the lack of donor coordination on AfT as one of the constraints which should be addressed as a priority.</b>							
<b>Action Matrix Implementation (Outcome 4)</b>							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	1	1	1	O4.4: Number and amount of projects funded from DTIS-AM	1(2.9)	1( )	1( )
O4.2: Government budget contribution	Y	Y	Y				
<b>Activities to implement the DTISU Action Matrix have started.</b>							
<p><b>O4.1:</b> Rwanda has a medium-term implementation plan, but not yet developed a specific EIF Medium-term Programme.</p>							
<p><b>O4.4:</b> To advance supply side capacity for trade, two T2 project proposals are in the process of being developed to support (1) the milk and dairy products value chain; (2) setting up a cross border market infrastructure; furthermore, the Rwanda Grain and Cereal Corporation was supported in establishing a trading system.</p>							

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

Following the approval of the project by the EIF Board, and MoU between the TFM and the NIU was established and signed at the end of October 2009. While the implementation of the project has been impacted by the succession of three NIU Coordinators, most financial and narrative reports have been received (one financial report is pending). As reported by the TFM in April 2011, the project faces at the moment further uncertainty regarding its set up in the Ministry. This is explained by the establishment of a Single Projects Implementation Unit (SPIU) at ministry level. At the moment, the practical and legal details of the integration of the EIF NIU in the SPIU are still to be finalised.

This project MoU will be amended to cover DTISU-related costs (i.e. printing, publishing and outreach activities).

### IV. OUTLOOK 2012

- Finalisation of transition from NIU to SPIU (Q 1 and Q2) and no-cost extension of the Tier 1 project in Q3;
- Revision of the EIF Tier 1 logframe, workplan and budget in Q2 and Q3;
- Joint ES and TFM support mission in June 2012;
- Dissemination of the DTISU and Action Matrix and stakeholder familiarisation in Q3 and Q4;
- Finalisation of Tier 2 project for Border Selling Points in Q4 and subsequent appraisal of the project by TAC2 and thereafter submission to the EIF Board for approval;

### V. CONTEXT AND OTHER REMARKS



## II. RESULTS

Samoa finalized its DTIS (with IF funds) in December 2010, and a Tier 1 project proposal is currently under development, with a planned submission date to the EIF Board of early Q3 2012.

Results in institutional set up and implementation of sustainability strategy  
UNDP is conducting a Capacity Development Assessment during July 2012. After revision of the project proposal, all the documentation of the country is in place to carry out submission of Tier 1 to the EIF Board.

## III. OUTLOOK 2012

The outlook for progress of EIF activities in Samoa is positive. The expectations are that a Tier 1 project proposal will be sent to the EIF Board no later than mid-2012. UNDP is advising the Government during the process of project formulation.

## IV. CONTEXT AND OTHER REMARKS

Some questions remains regarding project implementation modalities. Given that Samoa is expected to graduate in 2014, it is important to ascertain how the Tier 1 project will fit into this process. The TFM and ES will conduct a field capacity assessment mission to engage with domestic stakeholders and perform the Capacity Assessment Report in 2012.

Samoa has demonstrated keen interest in developing a Tier 2 project once the Tier 1 is commenced.

# São Tomé e Príncipe



## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'11		BL	'11
O1.1: Support to NIAs			O1.4: Trade strategy updated		
O1.2: DTIS-AM			O1.5: Trade Strategy quality		
O1.3: Fiduciary capacity			O1.6 Trade Strategy implemented		

The political and institutional context in São Tomé e Príncipe has evolved slowly over the year 2011. ITC has implemented the IF funded project which contributed to improving the customs management system. The Ministry of Economy was further assisted by UNDP to prepare the DTIS Update and a Tier 1 proposal.

The EIF NSC is formed, albeit undergoing a reformulation to include members of the civil society, including active and local NGOs.

#### Mainstreaming (Outcome 2)

	BL	'11		BL	'11
O2.1: Trade in the National Development Plan			O2.3: Public-Private Dialogue		
O2.2: Trade in Productive Sector Strategies					

#### Coordination of Aft (Outcome 3)

	BL	'11		BL	'11
O3.1: Annual joint sector implementation overview			O3.3: UN CEB activities based on DTIS-AM		
O3.2: Frequency of Government-Donor consultation in trade			O3.4: Joint donor initiatives in trade		

The European Union has been asked to assume the role of Donor Facilitator in São Tomé e Príncipe. Despite having a local representative, the directive of EU activities in the countries is coordinated from Libreville, thus additional consultations were already supposed to be undertaken but did not. The lack of presence of international agencies in the country leads to a more prevalent role of UNDP.

#### Action Matrix Implementation (Outcome 4)

	BL	'11		BL	'11
O4.1: Medium-term Programme			O4.4: Number and amount of projects funded from DTIS-AM		
O4.2: Government budget contribution					

## III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

No special results as no project was approved in 2011.

#### **IV. OUTLOOK 2012**

An EIF familiarization workshop is planned for May 2012.

There are three main EIF activities being undertaken. A DTIS Update is planned for implementation by the World Bank in 2012. An NIU is in place however, its strengthening is expected through the upcoming Tier 1 project, being developed with assistance from UNDP. The country has demonstrated desire to proceed with Tier 2 projects preparation. There is avid engagement of the government, civil society and private sector stakeholders that put forth ideas of Tier 2 development. According to what has been decided in the country, the National Steering Committee should deliberate on Tier 2 projects during 2012. The Tier 1 proposal under preparation by UNDP is expected in 2012

#### **V. CONTEXT AND OTHER REMARKS**

The Ministry in charge of Trade has very limited capacity in project preparation and the country expects the support of UN agencies and consultants.



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update	
<b>Project dates</b> (if applicable)	Board Approval:	24-Nov-2011
	MoU Signature:	5-Jan-2012
	First Transfer of Funds:	27-Jan-2012
	MoU Expiry:	31-Dec-2013
<b>Approved budget</b> (if applicable)	US\$900,000	Plus US\$200,000 for DTIS Update (pending MIE selection)
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS Update:
	Transfer Made in 2011: US\$0.00	US\$
	Total amount transferred: US\$0.00	Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable)	NIA Support	DTIS Update:
	No. of FRs Received: 0 No. of FRs Pending: 0	
Total expenditure reported:	US\$	
<b>Technical reports (TR) received</b> (if applicable)	NIA Support	
	No of TRs Received: Note de NIU Coordinator No of TRs Pending: December 2011. 0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01	0.01	
Poverty headcount			
Per capita growth rate	2.091	4.134	4
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	2180	2161	
Non-oil goods traded diversification			
Logistics performance index	2.37	2.86	
World Bank doing business-trading across countries	152	151	152
Employment in non-traditional export sectors			
SMEs registered for import and export trade			



II. RESULTS								
OUTCOME INDICATORS AND RESULTS								
Institutional Capacity (Outcome 1)								
	BL	'10	'11		BL	'10	'11	
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N	N	N	
O1.2: DTIS-AM	0	N	N	O1.5: Trade Strategy quality	2	2	2	
O1.3: Fiduciary capacity	0	0	3	O1.6 Trade Strategy implemented	4	4	4	
<ul style="list-style-type: none"> <li>Under the former IF, the National Implementation Arrangements, which include the NSC, FP and NIU were established in March 2009 by the Ministerial Decree No 02845 MCOM. The FP was reconfirmed in October 2011; a new NIU Coordinator was appointed in January 2011;</li> <li>The Tier 1 project to support the institutional capacity of the NIAs has been approved by EIF and implementation begun in January 2012. The NIU has been set-up and fully staffed under the EIF Tier 1.</li> <li>A Trade strategy paper and mid-term action plan (2012-2014) was elaborated by the Ministry of Commerce;</li> <li>Overall there has been an increase in the quality and implementation of the trade strategy.</li> </ul>								
Mainstreaming (Outcome 2)								
	BL	'10	'11		BL	'10	'11	
O2.1: Trade in the National Development Plan	3	3	3	O2.3: Public-Private Dialogue	3	3	3	
O2.2: Trade in Productive Sector Strategies	Y	Y	Y					
<ul style="list-style-type: none"> <li>National sensitization workshop was organised in May 2011, with support from the DF to raise awareness on trade mainstreaming, AfT and EIF process;</li> <li>The Accelerated Growth Strategy (Stratégie de Croissance Accélérée- SCA) was launched with sectoral thematic clusters to enhance the country's competitiveness and support growth. The mainstreaming of trade in the national development plan has been increased.</li> <li>There has been an improvement in public-private dialogue mechanisms.</li> </ul>								
Coordination of AfT (Outcome 3)								
	BL	'10	'11		BL	'10	'11	
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y	
O3.2: Frequency of Government-Donor consultation in trade	5	5	4	O3.4: Joint donor initiatives in trade	N	N	N <sup>38</sup>	
<ul style="list-style-type: none"> <li>Collaboration between the NIU, DF and the Global Mechanism on issues related to trade, sustainable management of land in the overall National Strategy for Accelerated Growth has been initiated.</li> <li>France has been Senegal's DF since Mars 2012, in the replacement of EU who was the Senegal IF DF for almost 10 years.</li> <li>There has been an increase in the frequency of Government-Donor consultations in trade over the baseline.</li> <li>There are now joint donor initiatives in trade</li> </ul>								

<sup>38</sup> The ES believes that this indicator should be Y, as there are now joint donor initiatives in trade.

Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	5	O4.4: Number and amount of projects funded from DTIS-AM	2(5.2)	0(0)	2(5.8) *
O4.2: Government budget contribution	N	N	N				
<ul style="list-style-type: none"> <li>Through the EIF process, a Tier 2 project to support the sustainability and competitiveness of cabbage production in the Niayes region of Senegal was elaborated and successfully secured financial supports from the Standard and Trade Development Facility (STDF) programme in November 2011.</li> <li>There are now two projects funded from the DTIS Action Matrix with a total value of US\$5.8 million</li> </ul>							
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>							
<ul style="list-style-type: none"> <li>During 2011 TFM assisted the Ministry of trade in finalizing its Tier 1 proposal. The capacity assessment was undertaken in May/June 2011 and the proposal approved by the Board in November.</li> <li>No disbursement was made in 2011.</li> </ul>							
<b>IV. OUTLOOK 2012</b>							
<ul style="list-style-type: none"> <li>The MOU for the Tier 1 was effective and the NIU operational in Q1 2012.</li> <li>Despite some delay in the start-up of the project, partly due to the Presidential campaign, the NIU has regained the momentum in the implementation of the project activities in accordance with the 2012 work plan. Main activities focus on updating the 2002 DTIS, formulation of Tier 2 project proposals in different prioritised sectors, mobilization of resources to fund Tier 2 projects and increasing the coordination of donor support to Senegal's Aft agenda. Communication will be also a focus throughout the Tier 1 project implementation. The NIU Coordinator and the M&amp;E officer participate to the M&amp;E workshop organized by the ES and the TFM in Burkina Faso in May 2012. The NIU organised a two-day workshop on Result oriented management with the support of UNDP Senegal and the TFM Regional portfolio manager for the NSC and project stakeholders. A four-day training workshop on project formulation with support from ES-TFM is also planned.</li> <li>The ES and the TFM plan to field a facilitation mission to Senegal in Q4/2012 to support the project implementation and stakeholders' sensitization on trade mainstreaming and Aft management.</li> <li>UNCTAD is proposed as MIE for Senegal's DTIS Update.</li> </ul>							
<b>V. CONTEXT AND OTHER REMARKS</b>							

# Sierra Leone



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update	
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	1-Jul-2009 27-Jul-2009 29-Jul-2009 26-Jul-2012
<b>Approved budget</b> (if applicable)	US\$808,859	Plus US\$100,000 for DTIS Update (pending MIE selection)
<b>Financial transfers</b> (if applicable)	NIA Support Transfer Made in 2011: US\$260,696.00  Total amount transferred: US\$627,407.00	DTIS Update:  US\$  Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:	NIA Support 9 0	DTIS Update:
Total expenditure reported:	US\$532,234.00	
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  5 0	DTIS Update:

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.00	0.00	
Poverty headcount			
Per capita growth rate	3.2	4.949	5.1
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	231	338	
Non-oil goods traded diversification			
Logistics performance index	1.95	1.97	
World Bank doing business-trading across countries	156	143	143
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	N	N	N <sup>39</sup>
O1.2: DTIS-AM	2006	N	N	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity	Y	Y	Y	O1.6 Trade Strategy implemented	5	5	5

- A training plan to enhance capacity of NSC members and line ministries was elaborated in August 2011;
- DTIS Update with the World Bank is planned for implementation in 2012 and expected to be validated in Q4/2012, followed by the development of a Medium-term programme;
- The National Trade Policy and Action Programme was endorsed by Government in 2011;
- Constituent elements of trade strategy developed: export strategy, competition policy and law;
- According to the NIU, the restructuring process of the Ministry is on-going. It is also envisaged that staff of the NIU will be rolled over to the Ministry at the end of the project.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	3	3	3	O2.3: Public-Private Dialogue	1	1	1
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				

- The NIU in collaboration with the Ministry of Finance and Economic Development is working on the preparation of the PRSP 111. A key pillar in the PRSP 111 is International Competitiveness which will address trade issues and economic development in the country. The NIU together with the African Development Bank and other key stakeholders is developing the Pillar outline;
- The establishment of a Trade Sector Working Group to enhance the coordination and trade mainstreaming issues in the PRSP is in progress;
- Sectoral dimension in trade mainstreaming has been strengthened through the NIU support to the preparation of technical papers including the ratification of the Coffee Agreement, the relocation of the Produce Inspectorate Unit from the Ministry of Agriculture to the Ministry of Trade, and a sector status report on implementation of the PRSP.
- Activities have been taken by NIU to deepen consultation with the Sierra Leone Business Forum.

#### Outreach

Sierra Leone has developed a communications work plan to enhance delivery while focusing efforts to date on the sensitisation of stakeholders related to the project on eco-tourism. As part of the EIF Trading Stories project, a half day working session was held with the NIU, Ministry officials, partners involved in the projects on eco-tourism and on standards. The discussions focused on taking forward the programme's work plan priorities and how to prioritise efforts to maximise the impact of activities, building up credibility and profile. Sierra Leone is developing an EIF page on the Ministry's website ([http://www.trade.gov.sl/index.php?option=com\\_content&view=article&id=65&Itemid=48](http://www.trade.gov.sl/index.php?option=com_content&view=article&id=65&Itemid=48)) and there are plans to have wider coverage, including with publicity on tourism building on earlier efforts made to date.

<sup>39</sup> Nationally reported indicator is No trade policy; however, the National Trade Policy and Action Programme was endorsed by the Government in 2011.

Coordination of AfT (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	N*	N*	N*
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade <sup>40</sup>	N*	N*	N*
<ul style="list-style-type: none"> <li>The NIU has been working with the Development Assistance Coordination Office (DACO) the body responsible for the preparation and coordination of the PRSP in the Ministry of Finance and Economic Development to enhance coordination and mainstreaming of trade issues in the PRSP;</li> <li>An AfT donor matrix/database has been created by the NIU as a means to monitor AfT coordination.</li> <li>The NIU is facilitating the MTI to establish a government-donor consultation framework and to deepen joint trade related programming.</li> </ul>							
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	5	5	4	O4.4: Number and amount of projects funded from DTIS-AM	7(146)	5( )	5( )
O4.2: Government budget contribution	N	N	N				
<ul style="list-style-type: none"> <li>Tier 2 project on eco-tourism is planned for implementation in 2012 as it was submitted to the EIF Board for approval in 2011<sup>41</sup>;</li> <li>DTIS Update with the World Bank is planned for implementation in 2012 and expected to be validated in Q4/2012, followed by the development of a Medium-term programme;</li> <li>Three Tier 2 projects in the areas of SMEs, standards and fisheries are under development;</li> <li>The Competition Policy and Law and a Consumer Protection Policy and Law have been prepared and are awaiting validation;</li> <li>Local Content Policy is under implementation.</li> </ul>							
III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS							
<ul style="list-style-type: none"> <li>The disbursements to the project have been going on regularly and financial as well as technical reports have been submitted as scheduled.</li> <li>The project work plan and budget will be revised and the MOU amended to take into account the implementation of the DTIS Update by the World Bank, and the MOU to be signed between UNOPS and the WB. The NIU will request an extension of the project to December 31, 2012 in order to cope with the mid-term evaluation and the DTISU.</li> </ul>							

<sup>40</sup> The ES understands that there are ongoing joint donor initiatives in trade and PSD and that the indicator should actually read Y.

<sup>41</sup> The Tourism - Tier 2 project was approved by the EIF Board on 27 January 2012 and the MOU signed on 21 May 2012.

#### **IV. OUTLOOK 2012**

The ES/TFM support for Sierra Leone will focus on supporting (i) Mid-term evaluation of the Tier 1 project; (ii) implementation of the Tier 2 on Eco-tourism; (iii) finalization of the Tier 2 project on SMEs and/or other priority projects; (iv) finalisation and validation of the DTIS Update and the Medium Term Programme; (v) preparation of trade agenda in the PRSP 111.

Capacity building to Ministry of Trade and Industry, line ministries and private sector remains a priority.

A project no-cost extension is envisaged until the end of 2012 to facilitate the implementation of project activities such as the DTISU and Mid-term review.

#### **V. CONTEXT AND OTHER REMARKS**

As per assessment of the NIU, weak and limited human resource capacity in the line ministries and the private sector remain a serious challenge. The on-going mid-term evaluation of the Tier 1 will provide an opportunity to assess the capacity on the ground.

# Solomon Islands



<b>Project(s)</b> (if applicable)	Tier 1 (NIA Support)- Phase 1	
<b>Project dates</b> (if applicable)	Board Approval:	21-Dec-2010
	MoU Signature:	19-Jan-2011
	First Transfer of Funds:	
	MoU Expiry:	18-Jan-2012
<b>Approved budget</b> (if applicable)	US\$300,000.00	
<b>Financial transfers</b> (if applicable)	NIA Support	
	Transfer Made in 2011: US\$225,000	
	Total amount transferred: US\$ 225,000	
<b>Financial reports (FR) received</b> (if applicable)	NIA Support	
No. of FRs Received:	3	
No. of FRs Pending:	01	
Total expenditure reported:	US\$93,575.00	
<b>Technical reports (TR) received</b> (if applicable)	NIA Support	
No of TRs Received:	1	
No of TRs Pending:	0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.00	0.00	
Poverty headcount			
Per capita growth rate	-1.2	7	5.7
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)	227	227	
Non-oil goods traded diversification			
Logistics performance index	2.08	2.31	
World Bank doing business-trading across countries	96	106	95
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

II. RESULTS								
OUTCOME INDICATORS AND RESULTS								
Institutional Capacity (Outcome 1)								
	BL	'10	'11		BL	'10	'11	
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	Y	Y	Y	
O1.2: DTIS-AM	N	2010	Y	O1.5: Trade Strategy quality	1	1	1	
O1.3: Fiduciary capacity	0	3	2	O1.6 Trade Strategy implemented	5	5	2	
<p>An initial (phase 1) Tier 1 project in the Solomon Islands began effective operation on the 19th of January 2011, with a fully-fledged Tier 1 proposal circulated for comments by the end of the year. The Focal Point is the director of the Department of External Trade. The NIU has subsequently been established with the EIF Coordinator being a Government funded position in the Chief Trade Officer. Development of Tier II projects have begun in co-operation with the STDF. The NSC is chaired at the Minister level, with meetings scheduled to take place on a quarterly basis.</p>								
Mainstreaming (Outcome 2)								
	BL	'10	'11		BL	'10	'11	
O2.1: Trade in the National Development Plan		5	5	2	O2.3: Public-Private Dialogue	1	1	1
O2.2: Trade in Productive Sector Strategies		Y	Y	Y				
<p>Trade is clearly identified as a priority area in the Government's National Policy Document produced by the National Coalition for Rural Advancement (NCRA). Likewise, the Ministry of Development Planning and Aid Coordination (MDPAC) launched the National Development Strategy of the Solomon Islands (NDS) 2011-2020 in October 2011 with trade mainstreaming clearly spelt out.</p> <p>The NIU have developed a communications strategy and work closely with the Government Communication Unit in communicating issues on trade and the EIF to the public.</p> <p>Solomon Islands has developed a draft communications strategy to help support the set up and implementation of its Tier 1 project as well as guide discussions and delivery on Tier 2. Solomon Islands has also been in consultation with other EIF countries, and is looking at developing a web portal on Aid for Trade and the EIF, alongside other material on sensitisation. The team benefits from dedicated communications resources in these efforts.</p>								
Coordination of AfT (Outcome 3)								
	BL	'10	'11		BL	'10	'11	
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	N	N	N	
O3.2: Frequency of Government-Donor consultation in trade	5	5	4	O3.4: Joint donor initiatives in trade	N	N	N	
Action Matrix Implementation (Outcome 4)								
	BL	'10	'11		BL	'10	'11	
O4.1: Medium-term Programme	5	5	4	O4.4: Number and amount of projects funded from DTIS-AM	1(0)	1( )	1( )	
O4.2: Government budget contribution	N	N	Y					
<p>Bilateral programmes include a focus on trade facilitation, infrastructure development and sectoral programmes in agriculture and fisheries. Those programmes are supported by the following development partners: Asian Development Bank, World Bank, Australia, New Zealand, EU, Japan and the Regional Assistance Mission to Solomon Islands (RAMSI).</p>								



### **III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS**

Expenditure up to end March 2012 has been US\$160,873.04 which is only 53.6 per cent of the total allocated amount. The slow progress is due to the delayed placement of the International Trade Advisor and their inability conduct some training courses, particularly trainings abroad. However, in the recent past some momentum has been gathered.

### **IV. OUTLOOK 2012**

A full Tier 1 project is expected to be submitted to the Board for approval.

### **V. CONTEXT AND OTHER REMARKS**

## South Sudan



### I. OUTLOOK 2012

South Sudan is expected to accede to the EIF Programme in June 2012 after a Technical Review undertaken by UNDP was approved by the EIF Board and the Government was notified. The ES will consult the Government of South Sudan to agree on period to organize a Familiarization mission in cooperation with the EIF Partner Agencies.

EIF familiarization mission.

Sudan



**I. IMPLEMENTATION (KEY CONSOLIDATED ACTIVITIES)**

Sudan has not received funding yet from the EIF Programme. Following the creation of South Sudan, Sudan prepared a Tier 1 draft proposal which received extensive comments from the ES and the TFM. A revised version was sent but still very weak. There is no National Implementation Unit; only the Focal Point is appointed. The Focal Point is working with the World Bank to prepare the TORs for a DTIS Update.

**II. OUTLOOK JUNE 2012 TO DECEMBER 2012**

Finalization of the DTIS ToRs and submission of an official request to the ES.

Finalization of a Tier 1 proposal.

**III. OTHER REMARKS**

## Tanzania



At the end of 2011, progress was registered in advancing the Tier 1 Support to NIA project proposal for which preparation had started in 2010. The ES/TFM received a first draft of the document in December 2011. In the meantime the Department of Policy and Planning in the Ministry of Industry and Trade is setting up structures for an NIU.

### Outlook 2012

- Submission of comments on the draft Tier 1 Support to NIA project proposal by the ES/TFM will be sent to Tanzania, following which a revised submission is expected with approval by the end of 2012.

# Timor-Leste



<b>Project(s)</b> (if applicable)	Pre-DTIS: Quadro do Comercio Integrado e Alargado para Países Menos Desenvolvidos - Unidade de Implementação Nacional	
<b>Project dates</b> (if applicable)	Board Approval:	15 January 2010
	MoU Signature:	24 March 2010
	First Transfer of Funds:	15 July 2010
	MoU Expiry:	15 July 2011
<b>Approved budget</b> (if applicable)	US\$50,000	
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$10 000	
	Total amount transferred: US\$50 000	
<b>Financial reports (FR) received</b> (if applicable)		
No. of FRs Received:	3	
No. of FRs Pending:	0	
Total expenditure reported:	US\$43,044.68	
<b>Technical reports (TR) received</b> (if applicable)		
No of TRs Received:	1	
No of TRs Pending:	0	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession			
% share of international non-oil trade			
Poverty headcount			
Per capita growth rate			
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)			
Non-oil goods traded diversification			
Logistics performance index			
World Bank doing business-trading across countries			
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

<b>II. RESULTS</b>					
<b>OUTCOME INDICATORS AND RESULTS</b>					
<b>Institutional Capacity (Outcome 1)</b>					
	BL	'11		BL	'11
O1.1: Support to NIAs			O1.4: Trade strategy updated		
O1.2: DTIS-AM			O1.5: Trade Strategy quality		
O1.3: Fiduciary capacity			O1.6 Trade Strategy implemented		
EIF activities in Timor-Leste have established a small NIU office, comprised by the FP and NIU Coordinator, and some support staff. The DTIS process was carried out and validated in 2011. An EIF Operational Manual has been developed which is to be approved by the National Steering Committee.					
<b>Mainstreaming (Outcome 2)</b>					
	BL	'11		BL	'11
O2.1: Trade in the National Development Plan			O2.3: Public-Private Dialogue		
O2.2: Trade in Productive Sector Strategies					
<b>Coordination of AfT (Outcome 3)</b>					
	BL	'11		BL	'11
O3.1: Annual joint sector implementation overview			O3.3: UN CEB activities based on DTIS-AM		
O3.2: Frequency of Government-Donor consultation in trade			O3.4: Joint donor initiatives in trade		
<b>Action Matrix Implementation (Outcome 4)</b>					
	BL	'11		BL	'11
O4.1: Medium-term Programme			O4.4: Number and amount of projects funded from DTIS-AM		
O4.2: Government budget contribution					
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>					
<p>The financial expenditure was US\$43,044.68 as reflected in the final financial report submitted by the FP. Significant delays were experienced throughout duration of the project. The recruitment of an EIF paid international advisor during the latter part of the duration, i.e. from March to July 2011 helped to move things to a degree. The most significant of these is the preparation of a Tier 1 proposal.</p>					
<b>IV. OUTLOOK 2012</b>					
<p>The draft Tier 1 proposal that has been submitted and ES/TFM comments passed. Among the challenges that the programme faces, the need to appoint a new Focal Point is very significant, since the previous FP has left. Once that is done the fully fledged Tier 1 proposal could be appraised if it is submitted in full.</p> <p>Most of the agencies present in the country showed minimal interest in engaging in the country due to political instability. Priorities have thus far been set as around state building and security due to the context. Trade assistance as a means of poverty alleviation has played a secondary priority. The perspective is that this will change post-elections.</p>					

## V. CONTEXT AND OTHER REMARKS

There have been no significant developments in the country. Overall it had been a challenge for Timor-Leste to implement the pre-DTIS. The Government of Timor-Leste had a consultant working on the preparation of the Tier 1 proposal pre-DTIS projects. However, much of the work performed by the consultant has not fully materialized. Although the consultant managed to finalize the proposal, the NIU was struggling to process it and send it to ES and TFM. In the meantime the former FP left this has left the situation stagnant.

Togo



<b>Project(s)</b> (if applicable)	<b>DTIS (WB) (CLOSED)</b>	
<b>Project dates</b> (if applicable)	Board Approval:	8-Oct-2008
	MoU Signature:	22-Dec-2008
	First Transfer of Funds:	23-Jan-2009
	MoU Expiry:	31-Oct-2010
<b>Approved budget</b> (if applicable)	US\$400,000	
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$0.00	
	Total amount transferred: US\$400,000.00	
<b>Financial reports (FR) received</b> (if applicable)		
	No. of FRs Received:	0
	No. of FRs Pending:	0
Total expenditure reported:	US\$ 400,000.0	
<b>Technical reports (TR) received</b> (if applicable)		
	No of TRs Received:	1
	No of TRs Pending:	0
<b>Project(s)</b> (if applicable)	<b>Pre-DTIS (CLOSED)</b>	
<b>Project dates</b> (if applicable)	Board Approval:	15-Jan-2010
	MoU Signature:	28-May-2010
	First Transfer of Funds:	14-Jul-2010
	MoU Expiry:	24-Jul-2011
<b>Approved budget</b> (if applicable)	US\$50,000	
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$10,000.00	
	Total amount transferred: US\$50,000.00	
<b>Financial reports (FR) received</b> (if applicable)		
	No. of FRs Received:	2
	No. of FRs Pending:	0
Total expenditure reported:	US\$50,000.00	
<b>Technical reports (TR) received</b> (if applicable)		
	No of TRs Received:	1
	No of TRs Pending:	0



<b>Project(s)</b> (if applicable)	NIA Support
<b>Project dates</b> (if applicable)	Board Approval: 23-Nov-2011 MoU Signature: Pending * MOU was signed on First Transfer of Funds: Pending 27-Jan-12 and the first MoU Expiry: Pending disbursement on 8-Feb
<b>Approved budget</b> (if applicable)	US\$900,006
<b>Financial transfers</b> (if applicable)	Transfer Made in 2011: US\$0.00  Total amount transferred: US\$0.00
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: 0 No. of FRs Pending: 0  Total expenditure reported:	NIA Support   US\$0.00
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: 0 No of TRs Pending: 0	NIA Support   0 0

#### I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01	0.01	
Poverty headcount			
Per capita growth rate	3.226	3.368	3.8
Gini-coefficient			
Purpose Indicators			
Value of non-oil goods traded (US\$ mil)	800	800	
Non-oil goods traded diversification			
Logistics performance index	2.25	2.6	
World Bank doing business-trading across countries	166	162	160
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

#### II. RESULTS

##### OUTCOME INDICATORS AND RESULTS

Institutional Capacity (Outcome 1)							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	N	Y	O1.4: Trade strategy updated	N	N	Y
O1.2: DTIS-AM	NA	Y*	Y*	O1.5: Trade Strategy quality <sup>42</sup>	5	5	1
O1.3: Fiduciary capacity	0	0	3	O1.6 Trade Strategy implemented	5	5	5

**Good progress was made over the reporting period in building institutional capacity to formulate and implement trade related strategies and implementation plans and in mainstreaming trade. In particular, a Tier 1 Support to NIA project was developed and approved by the EIF Board.**

<sup>42</sup> No trade strategy available prior to 2011, so rating for quality of strategy and its implementation 5 (unsatisfactory) prior to 2011.

Through the support of the Pre-DTIS project, the FP and his team developed a Tier 1 project proposal which was assessed by the TAC1; the full documentation was received in July 2011. The proposal was submitted to the EIF Board in October 2011 and approved in November 2011.

Also, over the reporting period Togo developed a new trade strategy which will start implementation later.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	1	1	1	O2.3: Public-Private Dialogue	2	2	2
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				

#### Coordination of AfT (Outcome 3)

	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	N	N	N	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	2	1	1	O3.4: Joint donor initiatives in trade	Y	Y	Y

#### Action Matrix Implementation (Outcome 4)

	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	1	1	1	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	0(0)	0(0)
O4.2: Government budget contribution	Y	Y	Y				

### III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

Apart from assisting the Ministry in the preparation of the Tier 1 project, no fiduciary activity was undertaken in 2011. The capacity assessment of the Tier 1 was undertaken by TFM and the proposal was approved in November 2011.

### IV. OUTLOOK 2012

- Signing of the MOU and setting up the NIU in Q1 and Q2;
- Participation in the EIF M&E Capacity Building workshop in Burkina Faso in Q2 and subsequent revision of the Tier 1 logframe and workplan;
- Familiarization of stakeholders with the EIF in Q4.

### V. CONTEXT AND OTHER REMARKS



<b>Project(s)</b> (if applicable)			
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	Date Date Date Date	
<b>Approved budget</b> (if applicable)	US\$	Notes	
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS/DTIS Update:	
	Transfer Made in 2011: US\$	US\$	
	Total amount transferred: US\$	Total amount transferred: US\$	
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:	NIA Support	DTIS Update:	
	Number Number		
	Total expenditure reported: US\$		
<b>Technical reports (TR) received</b> (if applicable) No of TRs Received: No of TRs Pending:	NIA Support	DTIS Update:	
	Number Number		
<b>I. GOAL AND PURPOSE INDICATORS</b>			
<b>Goal Indicators</b>	<b>Baseline</b>	<b>Y1</b>	<b>Y2</b>
Completed WTO accession			
% share of international non-oil trade			
Poverty headcount			
Per capita growth rate			
Gini-coefficient			
<b>Purpose Indicators</b>			
Value of non-oil goods traded (US\$ mil)			
Non-oil goods traded diversification			
Logistics performance index			
World Bank doing business-trading across countries			
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

<b>II. RESULTS</b>					
<b>OUTCOME INDICATORS AND RESULTS</b>					
<b>Institutional Capacity (Outcome 1)</b>					
	BL	'11		BL	'11
O1.1: Support to NIAs			O1.4: Trade strategy updated		
O1.2: DTIS-AM			O1.5: Trade Strategy quality		
O1.3: Fiduciary capacity			O1.6 Trade Strategy implemented		
<p>Tuvalu's DTIS was validated in 2010 and since the previous reporting period the country has formulated its Tier 1 project proposal. UNDP was requested by the government to be the Main Implementing Agency through its Fiji office.</p> <p>The envisioned Tier 1 will operate through UNDP's National Implementation Modality, building capacity through national systems while acting through the Ministry of Foreign Affairs, Trade, Tourism, Environment and Labour</p>					
<b>Mainstreaming (Outcome 2)</b>					
	BL	'11		BL	'11
O2.1: Trade in the National Development Plan			O2.3: Public-Private Dialogue		
O2.2: Trade in Productive Sector Strategies					
<b>Coordination of AfT (Outcome 3)</b>					
	BL	'11		BL	'11
O3.1: Annual joint sector implementation overview			O3.3: UN CEB activities based on DTIS-AM		
O3.2: Frequency of Government-Donor consultation in trade			O3.4: Joint donor initiatives in trade		
<b>Action Matrix Implementation (Outcome 4)</b>					
	BL	'11		BL	'11
O4.1: Medium-term Programme			O4.4: Number and amount of projects funded from DTIS-AM		
O4.2: Government budget contribution					
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>					
No fiduciary activities during the reporting period.					
<b>IV. OUTLOOK 2012</b>					
The outlook for Tuvalu is positive. After having experienced a period of slow progress, the country has resubmitted a proposal for Tier 1 that is expected to go to the EIF Board by the end of 3Q2012.					
<b>V. CONTEXT AND OTHER REMARKS</b>					
As noted during the previous reporting period, there are significant capacity constraints in Tuvalu.					

# Uganda



<b>Project(s)</b> (if applicable)	Tier 1 Support to NIA;	DTIS Update	Tier 2 Project (DICOSS)
<b>Project dates</b> (if applicable)	Board Approval: 28-Sep-2009 MoU Signature: 20-Oct-2009 First Transfer of Funds: 30-Oct-2009 MoU Expiry: 19-Oct-2012	18-Oct-2011 19-Oct-2011 19-Oct-2011  18-Aug-2012	30-Aug-2011 19-Dec-2011 Pending  31-Dec-2013 * To be amended after operational extension of UNOPS mandate as TFM
<b>Approved budget</b> (if applicable)	US\$900,000.00	Plus US\$200,000 for DTIS Update	
<b>Financial transfers</b> (if applicable)	NIA Support Transfer Made in 2011: US\$350,000.00  Total amount transferred: US\$750,000.00	DTIS/DTIS Update: US\$200,000 <i>*The full amount was transferred to the World Bank subsidiary trust fund, however the funds are being released according to specified tranches based on deliverables</i>  Total amount transferred: US\$200,000	
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:	NIA Support  8 0	DTIS Update:  None due in reporting period	
Total expenditure reported:	US\$540,772.00		
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	  3 0	DTIS Update: None due in reporting period	

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.01	0.01	
Poverty headcount	38		
Per capita growth rate	7.247	5.182	6.4
Gini-coefficient	44.3		

<b>Purpose Indicators</b>							
Value of non-oil goods traded (US\$ mil)		2478		1612			
Non-oil goods traded diversification							
Logistics performance index		2.49		2.82			
World Bank doing business-trading across countries		106		129		122	
Employment in non-traditional export sectors							
SMEs registered for import and export trade							
<b>II. RESULTS</b>							
<b>OUTCOME INDICATORS AND RESULTS</b>							
<b>Institutional Capacity (Outcome 1)</b>							
	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	Y	Y	Y	O1.4: Trade strategy updated	Y	Y	Y
O1.2: DTIS-AM	2009	Y	Y	O1.5: Trade Strategy quality	1	1	1
O1.3: Fiduciary capacity	2	2	2	O1.6 Trade Strategy implemented	2	2	2
<p>There are three main on-going projects in Uganda. The World Bank is working on the DTIS Update and in 2012 will develop the concept note and hire consultants.</p> <p>Uganda will start, in 2012, to implement the District Commercial Services Support Project (DICOSS), a Tier 2 project, that aims to strengthen district commercial offices through training and equipping operators.</p> <p>Additionally, during the reporting period the Government of Uganda has carried out drafting of the additional Tier 2 proposal regarding enhancement of capacity for Uganda's tourism sector through the Hotel and Tourism Training Institute (HTTI). The HTTI project being developed will capacity building efforts targeted at ameliorating service delivery in the tourism management.</p> <p>Uganda benefits from an active and engaged NIU. The Focal Point and Coordinator have been instrumental in carrying out the process with diligence.</p>							
<b>Mainstreaming (Outcome 2)</b>							
	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	5	2	2	O2.3: Public-Private Dialogue	1	1	1
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				
<p>In addition to the DTIS Updating, which will allow for a more recent and concrete study on potential advantages and analysis in Uganda, trade had already been incorporated in the latest National Development Plan in 2010.</p> <p>Outreach</p> <p>Uganda has carried out a series of communication activities including radio shows, brochures and web page development (<a href="http://www.mtic.go.ug/index.php?/Demo4/trace-article/">http://www.mtic.go.ug/index.php?/Demo4/trace-article/</a>) focusing on raising awareness of the programme. To build on the next phase of the EIF programme, Uganda has been planning to develop a communication strategy to deepen stakeholder engagement and profile the results achieved under the projects, including on mainstreaming. During the EIF Trading Stories project, a session was held with the NIU and the Ministry on helping Uganda to bring on board key stakeholders in the project on District Commercial Offices and broadening linkages with other partners' efforts.</p>							

<b>Coordination of AfT (Outcome 3)</b>							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	Y	Y	Y
O3.2: Frequency of Government-Donor consultation in trade	3	3	3	O3.4: Joint donor initiatives in trade	Y	Y	Y
<b>Action Matrix Implementation (Outcome 4)</b>							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	1	1	1	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	2 (22.5)	1(3)
O4.2: Government budget contribution	Y	Y	Y				
<b>III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS</b>							
<p>The project is being implemented directly by the Ministry through the NIU (referred to as the 'EIF Secretariat' in Uganda). The full funding for the project is expected to be released by the TFM to the NIU in 2012. Financial reports have been received on time and were deemed satisfactory. As with other countries, the project was amended to extract the amount budgeted for the DTIS Update (now directly paid by the TFM on behalf of the countries) leaving the project with a total budget of US\$900,000. An audit for the first year of the project activities has been performed with no adverse findings. The second audit is currently on its way and the Mid Term evaluation contracting is currently being processed.</p>							
<b>IV. OUTLOOK 2012</b>							
<p>The outlook for 2012/2013 for Uganda is positive. There are additional Tier 2 projects in the pipeline and they will probably be properly formulated and presented to the EIF Board prior to the end of 2012.</p> <p>Uganda will seek an extension of the Tier 1 project (Trade Capacity Enhancement Project (TRACE II), a Tier 1 project).</p>							
<b>V. CONTEXT AND OTHER REMARKS</b>							
Ongoing DTIS Update by the World Bank. Estimated delivery September 2012.							



## I. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

Vanuatu's DTIS was validated in 2008.

The EIF Focal Point for Vanuatu is the Director of the Trade Department (Previously Department of Trade and Industry). Under the IF, the Government of Vanuatu established the Trade Development Unit (TDU) within the Trade Department for implementation of the IF/EIF. This included budget authorisation for two positions (Head of the Trade and Development Unit and a Senior Economist) which are currently vacant. The Donor Facilitator is the EU.

#### Mainstreaming (Outcome 2)

The Priorities and Action Agenda (PAA) 2006-2015 sets out the Government's national priorities including developing an enabling environment for private sector led economic growth. The Plan Long Act Short (PLAS) 2009-2012 provides for the current implementation of the PAA.

Vanuatu validated a mainstreaming trade roadmap in October 2011 supported by the EIF and UNDP. The roadmap outlines a number of actions over a three year period to strengthen the policy framework and institutional mechanisms for trade coordination and dialogue amongst key stakeholders.

Consultation with the private sector and civil society takes place is ad hoc.

A trade policy document is currently under preparation, as are separate sector policies on agriculture, industry, energy and foreign economic policy

#### Coordination of AfT (Outcome 3)

Work has begun on a Port Vila Declaration on Aid Effectiveness

Aid for Trade is tracked, monitored and reported by the Aid Coordination Unit under the Prime-Minister's office

#### Action Matrix Implementation (Outcome 4)

A number of bilateral Development Partners are active in trade related areas including the EU, ADB, Australia, New Zealand, Japan and the USA.

## II. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

The Vanuatu Government prepared a draft proposal in 2010, after which the TFM conducted a Capacity Assessment Mission which concluded that the government has the capacity to implement the Tier1 project if they comply with the recommendations made by the mission. After this, the government withdrew the proposal, and got the help of UNDP Geneva to draft another Tier 1 proposal, which is currently under consideration.

## III. OUTLOOK 2012

It is expected that in 2012, the:

- Tier 1 project will advance
- The NIU in the form of the Trade Development Unit (TDU) will be formed
- The Council of Ministers will adopt the mainstreaming trade roadmap

## IV. CONTEXT AND OTHER REMARKS

Vanuatu completed its accession process to the WTO in 2011.



# Yemen



<b>Project(s)</b> (if applicable)	NIA Support and DTIS Update	
<b>Project dates</b> (if applicable)	Board Approval:	1-Jul-2009
	MoU Signature:	21-Jul-2009
	First Transfer of Funds:	22-Jul-2009
	MoU Expiry:	20-Jul-2012
<b>Approved budget</b> (if applicable)	US\$931,000	Plus US\$100,000 for DTIS Update
<b>Financial transfers</b> (if applicable)	NIA Support	DTIS Update (pending MIE):
	Transfer Made in 2011: US\$112,650.00	US\$
	Total amount transferred: US\$325,300.00	Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable)  No. of FRs Received: No. of FRs Pending:  Total expenditure reported:	NIA Support  3 1  US\$263,724.00	DTIS Update:
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  2 0	DTIS Update:

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	2	2	2
% share of international non-oil trade	0.06	0.06	
Poverty headcount			
Per capita growth rate	3.866	8.016	-2.5
Gini-coefficient			
Purpose Indicators			
Value of non-oil goods traded (US\$ mil)	5594	8700	
Non-oil goods traded diversification			
Logistics performance index	2.29	2.58	
World Bank doing business-trading across countries	103	104	105
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

## III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS

- The project faced problems during the period of political unrest during which the project operations were on hold as per the decision of the Board, except for keeping the staff in place.
- The slow progress is also due to the long delay in finding a suitable implementing agency for the DTIS Update and the Export Strategy preparations. In fact, just when the agencies were identified, the political disturbances started and caused a halt on these important major activities.

## IV. OUTLOOK 2012

- Stabilisation of the political situation and subsequent restart of EIF activities in Q1 and Q2;
- Formulation of a work plan and budget for a no-cost extension in Q3;
- Finalisation and appraisal of a Tier 2 project proposal to improve the honey value chain in Q3;
- Start of the DTIS Update process (with UNDP) in Q3;
- Submission of the Tier 2 project to the EIF Board for approval in Q4; thereafter expected approval and beginning of implementation.

## V. CONTEXT AND OTHER REMARKS

Because of political turbulences in Yemen since the beginning of 2011, only minor EIF project activities under the Tier 1 project were undertaken over the reporting period. In May 2011, the building of the Ministry of Industry and Trade where the NIU was housed was destroyed in the clashes and all equipment looted. In November 2011, funding for EIF Tier 1 project activities was suspended by the EIF Board. It should be noted that the suspension of funding for EIF Tier 1 project activities did not affect staff salaries which the Board had decided to continue paying for six months; within this period the situation in Yemen has become sufficiently stable again for the EIF Board to revoke the earlier suspension.

# Zambia



<b>Project(s)</b> (if applicable)	NIA Support	
<b>Project dates</b> (if applicable)	Board Approval: MoU Signature: First Transfer of Funds: MoU Expiry:	8-Feb-2010 27-Apr-2010 18-Aug-2010 27-Apr-2013
<b>Approved budget</b> (if applicable)	US\$899,400.00	
<b>Financial transfers</b> (if applicable)	NIA Support Transfer Made in 2011: US\$146,600.00  Total amount transferred: US\$ 293,200.00	DTIS/DTIS Update:  US\$  Total amount transferred: US\$
<b>Financial reports (FR) received</b> (if applicable) No. of FRs Received: No. of FRs Pending:	NIA Support 4 0	DTIS Update:
Total expenditure reported:	US\$198,983.00	
<b>Technical reports (TR) received</b> (if applicable)  No of TRs Received: No of TRs Pending:	NIA Support  2 0	DTIS Update:

## I. GOAL AND PURPOSE INDICATORS

Goal Indicators	Baseline	Y1	Y2
Completed WTO accession	1	1	1
% share of international non-oil trade	0.03	0.05	-
Poverty headcount			
Per capita growth rate	6.403	7.61	6.7
Gini-coefficient			
Purpose Indicators			
Value of non-oil goods traded (US\$ mil)	4312	7200	
Non-oil goods traded diversification			
Logistics performance index	2.37	2.28	
World Bank doing business-trading across countries	99	84	76
Employment in non-traditional export sectors			
SMEs registered for import and export trade			

## II. RESULTS

### OUTCOME INDICATORS AND RESULTS

#### Institutional Capacity (Outcome 1)

	BL	'10	'11		BL	'10	'11
O1.1: Support to NIAs	N	Y	Y	O1.4: Trade strategy updated	N	N	N
O1.2: DTIS-AM	2005	N	N	O1.5: Trade Strategy quality	5	5	5
O1.3: Fiduciary capacity	0	3	3	O1.6 Trade Strategy implemented	5	5	5

- The NIU is operational and now fully staffed. The Director of Foreign Trade, Mr Mathias Mwela became the new EIF Focal Point.
- Zambia's DTIS was conducted in 2005 and preparations have begun for an update in 2012 with the MIE being World Bank.
- The NIU acts as the secretariat for the Trade Expansion Working Group (TEWG). Restructuring of the TEWG has begun.
- Activities have included working with the TEWG and key stakeholders in developing two Tier 2 proposals and participation at the high level forum on Aid Effectiveness in November 2011 in Busan and EIF Training events.

#### Mainstreaming (Outcome 2)

	BL	'10	'11		BL	'10	'11
O2.1: Trade in the National Development Plan	5	5	2	O2.3: Public-Private Dialogue	2	2	2
O2.2: Trade in Productive Sector Strategies	Y	Y	Y				

- A trade chapter including a number of recommendations from the DTIS was incorporated into the Sixth National Development Plan (SNDP) which was launched in February 2011. The key focus of the SNDP is on "Sustained Economic Growth and Poverty Reduction" prioritising accelerated infrastructure, human development, economic growth and diversification and promotion of rural development.
- The EIF has been integrated into the Private Sector Development Reform Programme Phase II
- Public-Private Dialogue continues through the Private Sector Development Reform Programme (PSDRP)
- A series of participatory communications activities have been undertaken (regional workshops, theatre) as well as producing newsletters and posters to engage stakeholders with dedicated support from CUTS and other partners. Five television programmes have also increased the profile of trade in the country and information has also been disseminated through the Ministry's website on <http://www.mcti.gov.zm/index.php/projects/76-the-enhanced-integrated-framework-eif>.

Coordination of AfT (Outcome 3)							
	BL	'10	'11		BL	'10	'11
O3.1: Annual joint sector implementation overview	Y	Y	Y	O3.3: UN CEB activities based on DTIS-AM	N	N	N
O3.2: Frequency of Government-Donor consultation in trade	5	3	3	O3.4: Joint donor initiatives in trade	Y	Y	Y
<ul style="list-style-type: none"> <li>Government-Donor consultations on trade-related matters take place in the Trade and Industry Sector Advisory Group (SAG). The EIF NSC has been aligned into the PPD mechanism of the SAG</li> <li>Joint donor initiatives take place in the form of the Private Sector Development Reform Programme (PSDRP II: 2009-14). This includes a Joint Financing Agreement (JFA) including contributions from Finland, the Netherlands and the UK as well as bilateral support to specific areas;</li> <li>The PSD cluster includes DFID, the EU, FAO, Finland, ITC, Japan, ILO, the Netherlands, UNDP, UNIDO, the USA and the World Bank.</li> <li>Other joint projects include the Joint Chirundu OSBP as well as a Joint UNIDO-WTO project and EU-CBPSD project.</li> </ul>							
Action Matrix Implementation (Outcome 4)							
	BL	'10	'11		BL	'10	'11
O4.1: Medium-term Programme	3	3	3	O4.4: Number and amount of projects funded from DTIS-AM	0(0)	0(0)	0(0)
O4.2: Government budget contribution	<sup>43</sup> N						
<ul style="list-style-type: none"> <li>A Medium-term programme is evident in the Private Sector Development Reform Programme</li> <li>Government contributed to the PSDRP II and the EIF Tier 1 project as well</li> </ul>							
III. BRIEF DESCRIPTION OF FIDUCIARY PROGRESS							
<p>Given the slow delivery of the first year of operation, the second transfer of US\$ 146'600 could only be released by the end of August 2011. The concern over this situation in 2010 and early 2011 was raised in different instances with the FP and the NIU team leader. Eventually it was agreed that a mission be undertaken which was followed by decisions from the PS to become the interim Focal Point and appoint a new team leader. The recruitment – initiated in 2010 -was also completed and the NIU team was in place, equipped and operational by the second half of June with a revised interim work plan. Reporting has been provided. A budget revision based on a revised work plan is yet to be prepared and submitted.</p>							
IV. OUTLOOK 2012							
<p>The results of the DTIS Update will be able to feed into the SNDP Mid -Term Review</p> <p>Having used the EIF "Trade Works" film as part of its sensitisation efforts with stakeholders, Zambia is now developing a communications strategy to help deliver the programmes' objectives including producing a national film on the EIF. The EIF Trading Stories project will build on the efforts already made to showcase the trade and development story in Zambia in further raising awareness.</p> <p>There will be an increased focus on mainstreaming trade into sectoral strategies assisted through implementation of the EIF/UNDP Trade Mainstreaming module.</p> <p>There is a proposal that the Trade and Industry Sector Advisory Group (SAG), chaired by the PS of MCTI would take on the role of the EIF NSC.</p>							

<sup>43</sup> The Government of Zambia has contributed to the basket fund of the PSDR Programme and the EIF project as well.

Update of the DTIS starting in 2012

Tier 2 project development and implementation

#### **V. CONTEXT AND OTHER REMARKS**

Some key trade-related developments achieved in 2011 include the launch of the National Quality Policy and Implementation Plan as well as the Micro, Small and Medium Enterprises Policy and Implementation Plan.

## ANNEXES

### A. ANNEX 1. FUNDING PROJECTIONS AND ADMIN COST RATIO

In November 2011, the ES and the TFM presented to the EIF Board funding projections for the demand for EIF funding through 2015, the proposed extension of UNOPS' operational mandate as TFM, based on certain assumptions and scenarios. Projections are updated periodically based on new information from and developments in the LDCs.

In addition, there have been requests from Donors for projections on the administrative costs of the EIF. As specified in the Standard Provisions to the Donor Contributions, the administrative costs include "the Trustee Management Fee, UNOPS reimbursable expenses, and reimbursable expenses of the Executive Secretariat",<sup>44</sup> estimated to be "no more than 13 per cent of the total contributions to the EIF Trust Fund, which is estimated at US\$250 million over a five-year-period."

The TFM present two projections of administrative costs, examining for both the following data:

- Administrative cost ratio over donor commitments: Donor commitments are signed legal agreements and contribution arrangements with donors, until 31 December 2013;
- Administrative cost ratio over total EIF commitments: Total EIF commitments are signed legal agreements with LDCs and partner agencies for EIF approved projects; and
- Administrative cost ratio over actual planned EIF budget (US\$250 million): Based on the initial assumptions of the EIF as stated in the TFM proposal (cf. Compendium) and the Standard Provisions of US\$250 million over a five-year period.

Both scenarios are based on the following assumptions:

- All planned donor contributions (based on donor pledges and signed legal agreements and contribution arrangements) will be received by 2013;
- Tier 1 NIA support projects will have disbursement rates of approximately 80 per cent during the period, and will be extended to up to five years with annual budgets of US\$300,000; and
- Tier 2 budgets will have average budgets of US\$3 million with a life span of three years (or until end of 2013), with a 100 per cent delivery rate.

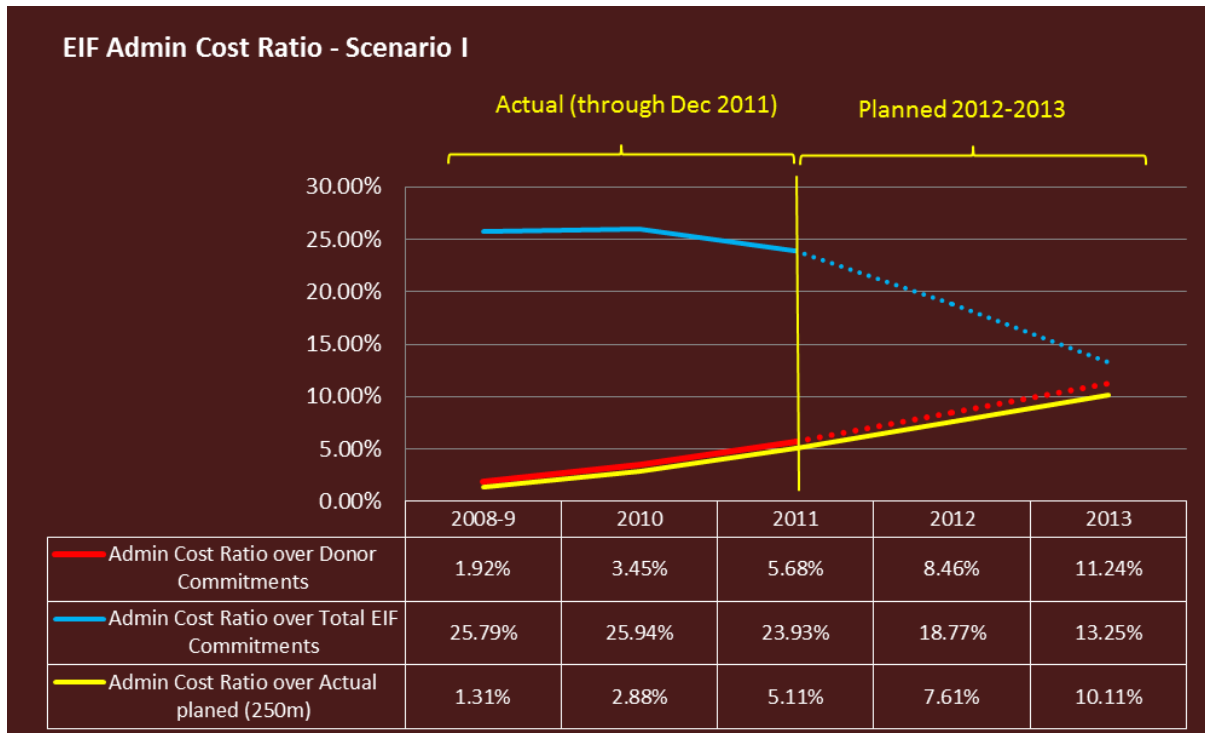
The two scenarios differ in the level of activity they project:

	Scenario I	Scenario II
Active Tier 1/ 'Support to NIAs'	42	38
Active Tier 2 projects	40	30

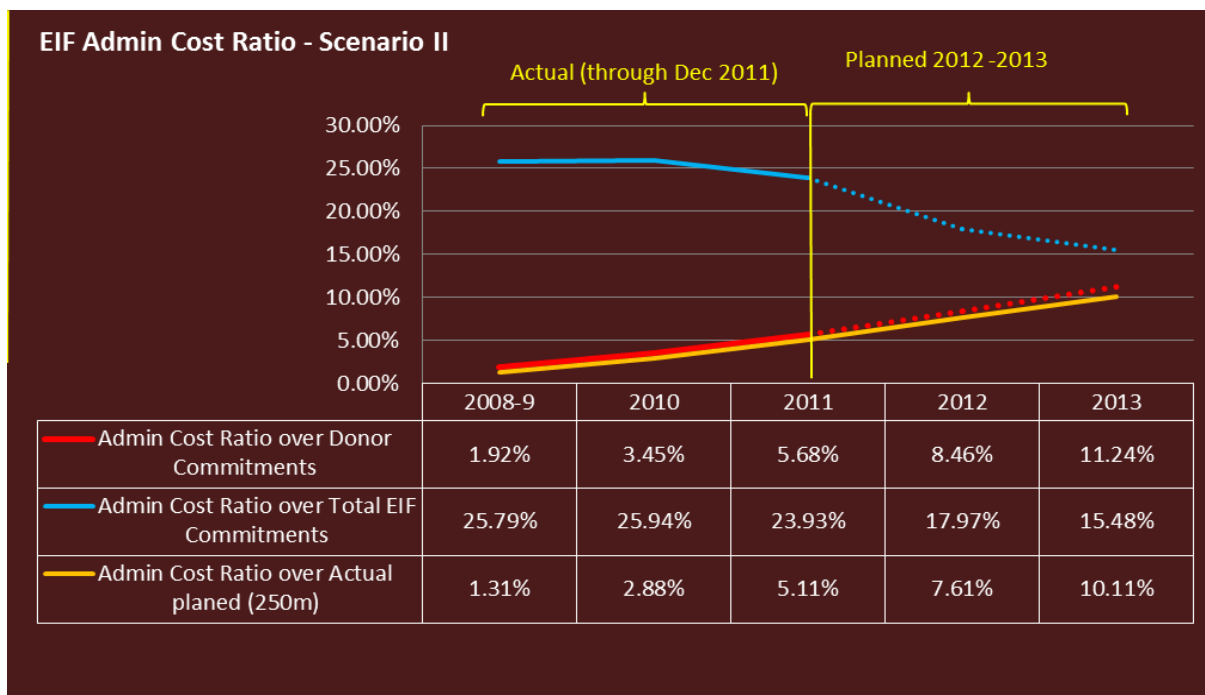
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<sup>44</sup> The question of drawing the line between administrative cost and technical assistance within the activities and the budget of the ES and the TFM remains to be addressed.

### EIF Administrative Cost Ratio - Scenario I



### EIF Administrative Cost Ratio - Scenario II





**B. ANNEX 2: TFM LEGAL ARRANGEMENTS**

TFM Legal Arrangements			
UNOPS with	Type of Agreement	Description	Current Status
<b>1. Contributors (Donors)</b>	Contribution Agreements and Standard Provisions	Legal agreement, on behalf of the EIF Board (which does not have legal identity), which maintains the integrity of the EIF Trust Fund as a multi-lateral financing facility.	<ul style="list-style-type: none"> <li>- Standard Provisions approved on 24 October 2008.</li> <li>- Contribution Arrangements (CA) signed with 22 countries, (including a new donor (Australia) in 2011) and 2 with the European Union.</li> <li>- In 2011, CA amendments were signed for new contributions by Estonia, Japan, Norway and Spain.</li> <li>- CA Amendments for the extension of the operational mandate of UNOPS as TFM until 31 December 2015, initiated in 2011, have been agreed upon with all concerned Donors, with two pending signature.</li> </ul>
<b>2. WTO</b>	Exchange of Letters	Legal agreement with WTO as administrative host of the ES to enable the provision of ES technical services.	<ul style="list-style-type: none"> <li>- Exchange of letters on 25 November 2008.</li> <li>- Funds transferred for ES yearly budgets for 2009-2011.</li> </ul>
<b>3. UNCTAD</b>	Partnership Agreement with Core Agency	Legal agreement with Core Agency for the implementation of EIF Tier 1 and Tier 2 projects.	<ul style="list-style-type: none"> <li>- Following the approval of the EIF Board and the UN Controller, UNCTAD, ITC and UNOPS signed the agreement on 8 July 2009.</li> <li>- In 2011, one implementation letter was signed (The Gambia DTIS Update).</li> </ul>
<b>4. ITC</b>	Partnership Agreement with Core Agency	Legal agreement with Core Agency for the implementation of EIF Tier 1 and Tier 2 projects.	<ul style="list-style-type: none"> <li>- Following the approval of the EIF Board and the UN Controller, UNCTAD, ITC and UNOPS signed the agreement on 8 July 2009.</li> <li>- In 2011, 1 project was submitted to the EIF Board (The Gambia Tier 2 – Sector Competitiveness).</li> </ul>
<b>5. UNIDO</b>	Partnership Agreement with new UN Agency	Legal agreement with new UN Agency as implementing partner, based on the ITC/ UNCTAD agreement.	<ul style="list-style-type: none"> <li>- Following EIF Board approval, UNIDO and UNOPS signed the agreement on 24 June 2009.</li> <li>- In 2011, one project was in preparation (Burundi Tier 2 – trade capacity strengthening).</li> </ul>
<b>6. UNDP</b>	Partnership Agreement with Core Agency	Legal agreement with Core Agency for the implementation of EIF Tier 1 and Tier 2 projects.	<ul style="list-style-type: none"> <li>- Following EIF Board approval, UNDP and UNOPS signed the agreement on 8 July 2010.</li> <li>- In 2011, two implementation agreements were signed (Comoros Tier 1 and Bhutan DTIS).</li> </ul>

UNOPS with	Type of Agreement	Description	Current Status
<b>7. World Bank</b>	Externally Funded Outputs (EFOs)	Legal agreement following the World Bank's EFO agreement scheme.	<ul style="list-style-type: none"> <li>- Three EFOs approved by the EIF Board in 2008: Democratic Republic of the Congo and Togo DTIS EFOs completed and Afghanistan was extended.</li> </ul>
	EIF Subsidiary Trust Fund	Legal agreement establishing a Subsidiary Trust Fund with the World Bank for Tier 1 and Tier 2 projects.	<ul style="list-style-type: none"> <li>- Following EIF Board approval, UNOPS and the World Bank signed the agreement on 19 April 2011.</li> <li>- In 2011, four implementation letters were signed (DTIS in Bangladesh and Haiti, DTIS Updates in Burundi and Uganda).</li> </ul>
<b>8. LDCs (Governments)</b>	Memorandum of Understanding (MOU)/Grant Agreements	Legal agreement with governments and para-statal for the implementation of Tier 1 and Tier 2 projects.	<ul style="list-style-type: none"> <li>- MOU and Grant Agreement templates finalized in English and French and circulated to LDCs, and revised and updated in 2011.</li> <li>- Following EIF Board approval, a total of 29 Tier 1 MOUs, 7 pre-DTIS grant agreements, one Tier 2 MOU, and 10 amendments have been signed with LDCs.</li> <li>- In 2011 specifically, the TFM signed the following legal agreements: one pre-DTIS (Afghanistan), ten Tier 1 'Support to NIAs', one Tier 2 (Uganda) plus amendments signed with seven LDCs.</li> </ul>
<b>9. Other implementing entity</b>	Legal Agreements	Legal agreements with selected NGOs and development agencies as per LDCs requests and EIF Board approval.	<ul style="list-style-type: none"> <li>- Following approval by the ED (with delegated authority from the EIF Board), a Grant Agreement was signed in 2011 with USAID for the Lesotho DTIS Update.</li> <li>- Negotiations with FAO have been undertaken in preparation for the submission of the Nepal Tier 2 ginger project to the EIF Board, with a draft agreement pending project approval.</li> </ul>
<b>10. Other – Policy instruments</b>	Guidelines and other policy instruments approved by the EIF Board	Completing, fine-tuning, reviewing and updating the Compendium and other EIF tools (i.e., Guidelines).	<ul style="list-style-type: none"> <li>- The Compendium was considered approved by the EIF Board on 11 April 2011.</li> <li>- The EIF M&amp;E Framework logframe was finalized in the summer of 2011.</li> </ul>

**C. ANNEX 3: DONOR CONTRIBUTION DETAILS**

<b>Donor Contribution Details (as of 31 December 2011, in US\$)</b>		
<b>Donor</b>	<b>Commitment</b>	<b>Receipt</b>
European Union	13,156,200	7,374,320
Government of Germany	8,838,047	7,196,438
Government of Australia	2,146,200	2,146,200
Government of Belgium	2,755,889	2,755,864
Government of Canada	19,109,695	11,376,335
Government of Denmark	16,818,146	11,373,500
Government of Finland	8,518,301	8,518,283
Government of France	5,583,062	5,583,040
Government of Iceland	200,000	200,000
Government of Japan	733,525	733,525
Government of Luxembourg	4,947,036	4,947,032
Government of Norway	20,151,988	20,151,988
Government of Hungary	400,000	400,000
Government of Sweden	14,299,175	14,299,175
Government of Spain	6,953,404	6,953,378
Government of Korea	1,000,000	1,000,000
Government of Turkey	1,000,000	1,000,000
Government of Switzerland	162,789	162,789
Government of the United Kingdom	58,304,779	12,274,690
Government of the United States of America	600,000	600,000
Kingdom of Saudi Arabia	3,000,000	1,500,000
Republic of Estonia	88,358	88,351
Republic of Ireland	3,238,342	3,238,339
IF UNDP Transfer, Commingled Funds <sup>45</sup>	30,458,483	30,458,483
Interest IF Finland Sub-Trust Fund	15,280	15,280
Interest IF UNDP Holding Account	76,779	76,779
Interest EIF Income 2008	478,842	478,842
Interest EIF Income 2009	624,402	624,402
Interest EIF Income 2010	392,144	392,144
Interest EIF Income 2011 <sup>46</sup>	706,402	706,402
<b>Total</b>	<b>224,757,267</b>	<b>156,625,577</b>

<sup>45</sup> Commingled funds include some of the above mentioned Donors, plus the Netherlands and Iceland.

<sup>46</sup> As noted above, the 2011 interest earned was not presented in the 2011 Q4 financial report submitted by the TFM as it had not yet been calculated by UNOPS.

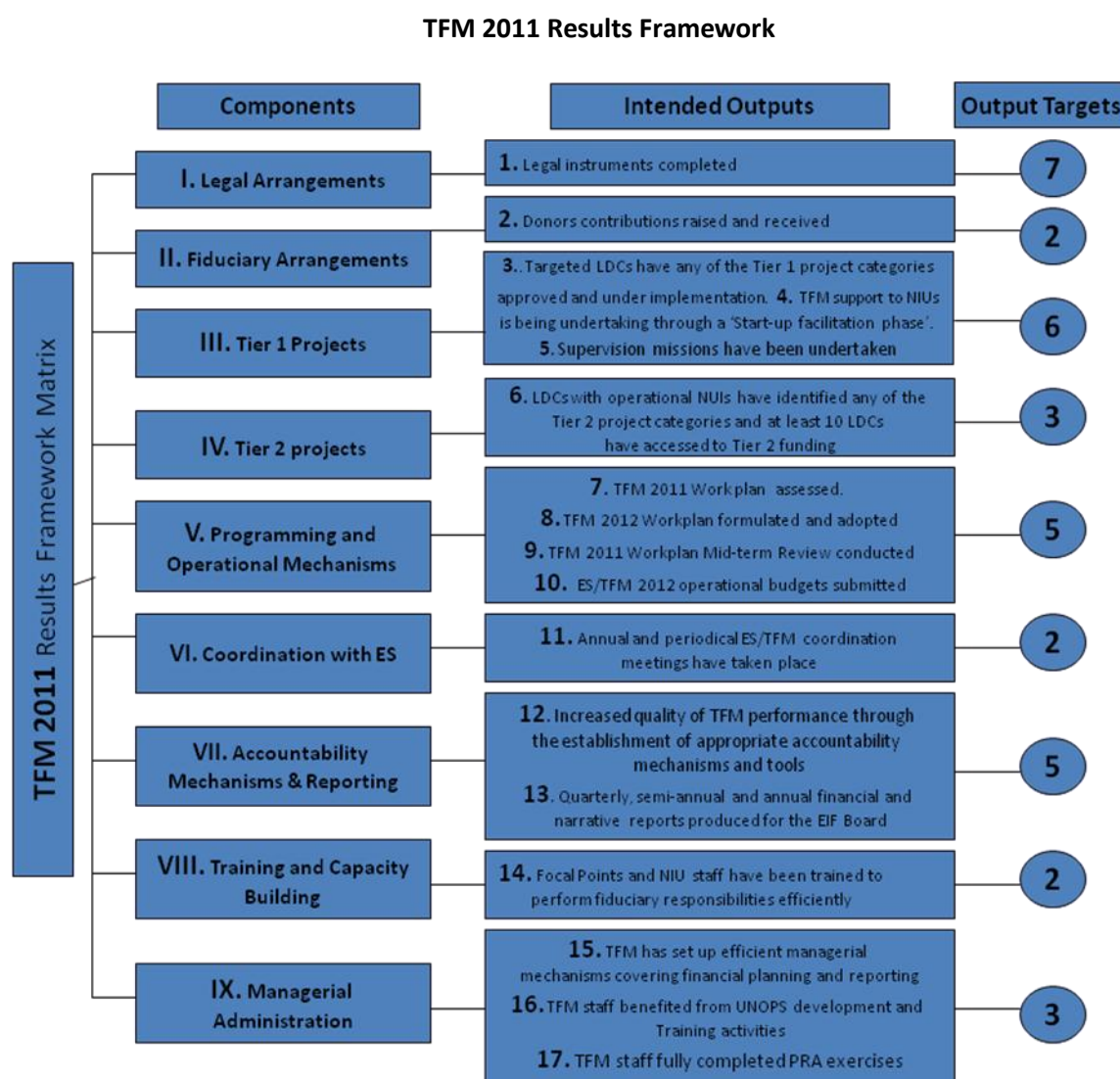
**D. ANNEX 4: LDC IMPLEMENTATION OF PROJECTS**

<b>LDC Implementation</b>				
<b>Project Type</b>	<b>MIE</b>	<b>2008-10</b>	<b>2011</b>	<b>Total</b>
<b>DTIS</b>	Agency Implementation	3	3	6
<b>DTIS Total</b>		<b>3</b>	<b>3</b>	<b>6</b>
<b>Pre-DTIS</b>	LDC Implementation	7		7
<b>Pre-DTIS Total</b>		<b>7</b>		<b>7</b>
<b>DTIS Update</b>	LDC Implementation	1		1
	Agency Implementation		5	5
	TBD*	9	7	16
<b>DTIS Update Total</b>		<b>10</b>	<b>12</b>	<b>22</b>
<b>Tier 1 – 'Support to NIAs'</b>	LDC Implementation	19	9	28
	Agency Implementation		1	1
<b>Tier 1 – 'Support to NIAs' Total</b>		<b>19</b>	<b>10</b>	<b>29</b>
<b>Tier 2</b>	LDC Implementation		1	1
<b>Tier 2 Total</b>			<b>1</b>	<b>1</b>
<b>Tier 1 – 'Support to NIAs' - ITA</b>	LDC Implementation		0	0
	Agency Implementation		3	3
<b>Tier 1 – 'Support to NIAs' - ITA Total</b>			<b>3</b>	<b>3</b>
<b>Grand Total</b>		<b>39</b>	<b>29</b>	<b>68</b>

\*DTIS Updates submitted and approved as part of a Tier 1 project under government implementation, but without a specified MIE, are listed here as TBD (to be determined) until they are finalized.

## E. ANNEX 5: TFM 2011 WORK PLAN AND FURTHER DETAILS

The TFM 2011 work plan and results framework matrix – updated at the annual TFM workshop after an internal assessment of results achieved in 2010 – has been the most important programmatic tool guiding the overall TFM operational activities during 2011. The 2011 results framework matrix consisting of 9 components, 17 intended outputs and 35 specific output targets, is presented in the next diagram:



An internal assessment intended to measure the achievements during the period under review based on the “Intended Outputs” and “Output Targets” was done in early 2012. As mentioned above, 2011 shows an extension and a consolidation of Tier 1 project across the LDCs with 34 countries benefitting of the Tier 1 projects. However, delivery of Tier 2 projects has been slower than anticipated despite the approval of the Tier 2 guidelines. This development of the programme has meant a shift in focus for the TFM in 2011 with more facilitation and supervision activities for Tier 1 project and guidance/assistance in fiduciary matters to NIUs for the formulation of Tier 2 projects. In this context, a number of factors and external constraints explain why some Intended Outputs, mainly Output 6 (Tier 2 projects), were not fully met. However, generally, the TFM has achieved most of the other targeted results.

In addition, the 2011 work plan was a helpful internal planning tool: measuring results of what had been achieved and identifying the areas requiring improvements proved to be useful to draw lessons for an improved performance of the TFM.

## Coordination and Communication

The TFM coordination and communication framework consists of permanent and continued interactions with the key EIF stakeholders through different events and activities. The table below summarizes such interactions as held during the period of this report.

TFM Interaction with Key EIF Stakeholders (from January to December 2011)		
	Type of Event	Description
EIFSC	EIFSC meetings	<ul style="list-style-type: none"> <li>Participation in the annual EIFSC meeting.</li> </ul>
EIF Board	EIF Board meetings	<ul style="list-style-type: none"> <li>Participation in the three EIF Board meetings held in 2011; and</li> <li>Participation in small working groups (one for the finalization of the Compendium, and two for M&amp;E).</li> </ul>
ES	Programming, communication and coordination	<ul style="list-style-type: none"> <li>Two ES/TFM workshops;</li> <li>Nine regular ES/TFM coordination meetings;</li> <li>Compendium revisions;</li> <li>M&amp;E Framework revisions;</li> <li>Training &amp; Capacity Building, communication, Tier 2; and</li> <li>Daily and constant communication and coordination between the ES and the TFM team members on EIF institutional, governance and country portfolio matters.</li> </ul>
LDC Representatives	Information on the EIF Programme and projects, advice and follow-up	<ul style="list-style-type: none"> <li>Meeting with the LDC Group and EIF Board members;</li> <li>Meeting with LDC mission personnel as well as delegations from capitals regarding project proposals;</li> <li>Participation in LDC IV Istanbul Conference;</li> <li>Participation in Global Reviews of Aid for Trade; and</li> <li>Participation in WTO Ministerial Conference side meetings with LDC delegations.</li> </ul>
Donor Representatives	Information, reporting, requests and legal arrangements	<ul style="list-style-type: none"> <li>Meetings with Donor representatives regarding their contributions to the EIF Trust Fund.</li> </ul>
EIF Agencies	Planning, coordination and legal arrangements	<ul style="list-style-type: none"> <li>Meetings with Agencies on Tier 1 and Tier 2 projects, including missions to UNIDO with the ES; and</li> <li>Meeting with FAO to finalize the Partnership Agreement.</li> </ul>
UN Agencies	UN Cluster meetings	<ul style="list-style-type: none"> <li>Meetings with the UN Interagency Cluster on Trade and Productive Capacity (through UNOPS-SWOC, with the TFM providing technical assistance as necessary).</li> </ul>
EIF Regional Groups	Regional workshops/ meetings	<ul style="list-style-type: none"> <li>EIF regional workshop in Lesotho; and</li> <li>EIF M&amp;E workshop in Uganda</li> </ul>

It is important to highlight that the TFM's communication function during the missions and at Geneva level focuses on introducing the accountability and fiduciary dimensions of the EIF into the different stakeholder environments.

<b>TFM Missions</b>			
<b>Type of missions</b>	<b>Number of Missions</b>		
	<b>Sep-08 to Dec-10</b>	<b>Jan-11 to Dec-11</b>	<b>Total</b>
Capacity Assessment – Tier 1	25	5	30
Capacity Assessment – Tier 2	1	2	3
Start-up Facilitation	12	8	20
Supervision	1	18	19
Workshops/Conferences	14	13	27
Familiarization/Assistance	9	7	16
<b>Total number of Missions</b>	<b>65</b>	<b>53</b>	<b>118</b>

The table below shows the status the TFM reporting on projects, which is closely linked to the TFM missions detailed above.

<b>TFM Reporting</b>			
<b>Description</b>	<b>Number of Reports</b>		
	<b>Sep-08 to Dec-10</b>	<b>Jan-11 to Dec-11</b>	<b>Total</b>
Capacity Assessment - Tier 1	28	5	33
Capacity Assessment - Tier 2	1	2	3
Start-up Facilitation Mission	12	8	20
Supervision	1	18	19
<b>Total</b>	<b>42</b>	<b>33</b>	<b>75</b>

## **F. ANNEX 6: ADDITIONAL ES AND TFM RECRUITMENT DETAILS**

### **Staffing**

The ES recruited an M&E expert at Grade 9 who assumed office on 1 June 2011. A Grade 3 support staff also joined the ES on 1 August 2011 following the conclusion of recruitment procedures. Two coordinators at Grade 8 (one Francophone and one Lusophone) were also recruited. The first came on board on 1 August 2011 and the other on 1 November 2011. Two additional positions had been approved by the EIF Board for a Head of Communications (Grade 8) and a Communications Officer (Grade 6). The recruitment of the two communications positions is expected to be finalized in the second half of 2012. Full staffing needs will be determined in the context of the recommendations of the EIF MTR and the decision of the EIF Programme beyond the 2013 mandate. In the meantime, the ES will, as necessary, continue to utilize short-term assistance and secondments to the ES where these are offered, as previously agreed by the EIF Board.

The initial UNOPS proposal included a regional office in Johannesburg and a second Regional Portfolio Manager in Dakar. Following discussions surrounding the EIF strategic planning, the proposal to open an office in Johannesburg for Southern Africa was abandoned, due to both cost considerations and the fact that the Africa regional offices are already well established, and instead the Nairobi office could be reinforced when it becomes necessary.

The recruitment of the second portfolio manager in Dakar, as specified in the original proposal by UNOPS, was scheduled for 2012 when the TFM operations will achieve a critical mass due to the increasing number of countries and activities, in particular in the West Africa region, as well as the Tier 2 projects required additional staff. The request to recruit an additional Regional Portfolio Manager in the Dakar regional office was approved by the EIF Board at its November 2011 meeting, and it is expected that the new Regional Portfolio Manager will be in place by mid-2012.