



UNCTAD CONTRIBUTION TO THE ENHANCED INTEGRATED FRAMEWORK

SUPPORTING THE LEAST DEVELOPED COUNTRIES IN TACKLING CONSTRAINTS TO TRADE



GLOBAL CONTEXT

Least developed countries (LDCs) represent the poorest and most vulnerable segment of the international community. They comprise more than 980 million people, about 12 per cent of world population. Yet they account for less than 2 per cent of world gross domestic product and about 1 per cent of global trade in goods. Against this backdrop, the Programme of Action for the Least Developed Countries for the Decade 2011–2020 recognized the critical importance of implementing “effective trade-related technical assistance and capacity-building to LDCs on a priority basis, including by enhancing the share of assistance to LDCs for Aid for Trade and support for the Enhanced Integrated Framework” (paragraph 66, section 3 (e)).

The Enhanced Integrated Framework is a multi-agency and multi-donor programme for the coordinated delivery of trade-related technical assistance and institutional capacity-building for LDCs. It aims to enable LDCs to mainstream trade into their national development plans, so that countries can mobilize the potential of trade to promote economic growth, sustainable development and poverty reduction at the domestic level and to become more active players in the multilateral trading system. In particular, the programme serves as a platform for LDCs to build productive capacities and start engaging in trade policymaking, among other activities, that can lead to creating employment and reducing poverty.

The six core partner agencies that support the Enhanced Integrated Framework Programme are UNCTAD, the International Trade Centre, United Nations Development Programme, International Monetary Fund, World Bank and World Trade Organization, with the United Nations Industrial Development Organization and World Tourism Organization as observers.

The support of UNCTAD focuses on contributing towards strengthening the capacities of LDCs in trade policymaking and thus improving ownership of the Enhanced Integrated Framework process. Specifically, UNCTAD supports LDCs under the Programme of the Framework through the formulation of diagnostic trade integration studies and their updates, and by drafting and piloting technical cooperation projects for implementation of the action matrix of the studies, in particular with regard to trade mainstreaming projects and tier 2 projects funded by the Enhanced Integrated Framework Trust Fund.



WHAT KIND OF ASSISTANCE DOES UNCTAD PROVIDE?

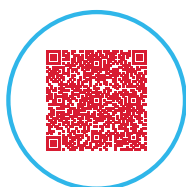
UNCTAD provides tailored assistance in response to specific requests from countries participating in the Enhanced Integrated Framework. Such requests can result in the updating of diagnostic trade integration studies. Assistance can also focus on mainstreaming trade policy issues that are identified in countries’ trade diagnostics and preparing and implementing national and regional tier 2 projects drawn from action matrices of such studies. In providing such assistance, UNCTAD uses a mix of national and international expertise to facilitate the exchange of knowledge and maximize results – the approach also contributes to national capacity-building.



RESULTS AND IMPACTS AT A GLANCE

A number of LDCs – for example, Benin, Burkina Faso, Cambodia, the Democratic Republic of the Congo, Djibouti, Ethiopia, the Gambia, Mali, Mozambique, Myanmar, the Niger and Senegal – have made progress, with support from UNCTAD, in mainstreaming trade policies in their national development plans, identifying trade-related priorities and implementing the action matrices of diagnostic trade integration studies.

- In 2019, UNCTAD concluded a diagnostic trade integration study update for the Democratic Republic of the Congo. It was presented and validated in a workshop in that country in November 2019. The Minister for Foreign Trade highlighted during the workshop that the diagnosis and some recommendations of the study would be integrated into the country’s national strategic development plan.
- At the request of the Governments of Cambodia and Myanmar, UNCTAD in 2019 carried out two studies on a new trade policy and strategy for LDCs in the Association of Southeast Asian Nations (ASEAN). The study of Cambodia was incorporated in the Cambodia Trade Integration Strategy as chapter one. To



support the implementation of the new trade policy and strategy for ASEAN LDCs, UNCTAD has submitted a regional project to be approved under the Enhanced Integrated Framework. It aims to put into effect recommendations of the Cambodia Trade Integration Strategy, the trade policy study of Myanmar and the trade policy issues listed in the 2012 Diagnostic Trade Integration Study of the Lao People's Democratic Republic. It will provide ASEAN LDCs with targeted research and capacity-building to successfully lead trade negotiations at the multilateral and regional levels and implement their commitments.

- UNCTAD prepared and validated the diagnostic trade integration study updates of Djibouti and Ethiopia in 2015 and 2016, respectively. The trade policy, trade facilitation and transport components of the updates focused on making the trading environment of both countries more efficient and recommended that improvements be made in the logistical performance of the Djibouti–Ethiopia corridor that links Addis Ababa with Djibouti and the port of Djibouti. UNCTAD arranged a follow-up workshop for Djibouti and Ethiopia in November 2016 to discuss options to improve the logistics systems and trade facilitation. As a result, a Djibouti–Ethiopia corridor management authority study was carried out and discussed in a second workshop in May 2017. The event led to a political endorsement at the highest level for the establishment of a managing authority of the Corridor between the two parties. A technical assistance programme was then developed by UNCTAD as a regional tier 2 project of the Enhanced Integrated Framework, in collaboration with the Ministries of Commerce of Djibouti and Ethiopia.
- A similar initiative was undertaken in West Africa on how to build coordination in the implementation of the diagnostic trade integration study action matrices on trade facilitation, transport and transit for West African countries (Benin, Burkina Faso and the Niger). Following an UNCTAD subregional workshop held in 2016, in Florence, Italy, in collaboration with the Academy of Global Governance, and European University Institute and with the participation of the Enhanced Integrated Framework Secretariat, a regional tier 2 project proposal was drawn up by UNCTAD in 2017 in cooperation with the respective Framework focal points of these countries, the Permanent Representative of Benin at the United Nations in Geneva and the Secretariat of the Enhanced Integrated Framework. The project was officially validated by the Enhanced Integrated Framework National Steering Committee of the three West African countries and has been submitted to the Secretariat for final approval.

"In the past few decades, Ethiopia went through a significant reform programme and put in place important regulatory and institutional frameworks to improve the business environment. In relation to this, they realized the diagnostic trade integration study that focuses on trade policy, trade facilitation and transport. The study shows that these elements are relevant for Djibouti too. The focus paves the way for making the business environment more efficient and effective. As the main trade artery for the two countries, it is important that the Ethiopia–Djibouti corridor be conducive and guided by the principle of a win-win situation. It is the right time to solve all existing issues along the common corridor. The relations between the two countries have now reached the highest level as we have launched the new railway from Addis Ababa to Dire Dawa and onward to Djibouti. I would like to thank UNCTAD, [Enhanced Integrated Framework] and all donor partners for their relentless efforts."

Bekele Bulado, Minister of Trade, Ethiopia, 2017



PROGRAMME FACTS AND FIGURES

Start date: 2012

Countries assisted per year: 5 (average)

Countries assisted: 10 (diagnostic trade integration study updates)

Website: unctad.org/EIF

Sustainable Development Goals addressed:

Directly: 9, 17

Indirectly: 1



DONORS/FUNDING SOURCE (2014–2019)

United Nations Office for Project Services

