

PARTICIPATION, EMPOWERMENT, PARTNERSHIP:

Seeking Sustainable Results through U.S. Trade Capacity Building



December 2005

“We must tear down the walls that separate the developed and developing worlds. We need to give the citizens of the poorest nations the same ability to access the world economy that the people of wealthy nations have, so they can offer their goods and talents on the world market alongside everyone else. We need to ensure that they have the same opportunities to pursue their dreams, provide for their families, and live lives of dignity and self-reliance.”

U.S. PRESIDENT GEORGE W. BUSH
September 14, 2005

THE UNITED STATES AND THE DOHA COMMITMENT

The members of the World Trade Organization (WTO) have always recognized that the expansion of trade opportunities can make a significant contribution to economic growth and global poverty reduction. The Doha Development Agenda (DDA) focuses on better integrating developing countries into the international trading system and enabling them to benefit further from global trade. The United States provided leadership at Doha in 2001 and continues to do so today, not only through work in Geneva, but also through comprehensive trade capacity building (TCB) programs throughout the world. Trade capacity building, or aid for trade, helps build the necessary capacity for developing countries to take advantage of more open markets.

While in Hong Kong, the United States intends to collaborate with others to continue the work begun under the DDA. This is the WTO's opportunity to focus on issues of importance to our least developed country (LDC) partners as they seek to develop their economies through export-led growth. A successful negotiating round is key to opening markets further, and is aided by TCB.

The United States is the largest single-country donor of TCB assistance, providing over \$1.34 billion in 2005, up from \$921.2 million in 2004. The United States' Millennium Challenge Account (MCA) contributed to TCB funding for the first time this year, complementing on-going U.S. programs. In addition, we continue our strong support for the trade-related programs of the multilateral



East Timor coffee farmers expand sales by identifying potential markets for certified organic coffee.

banks and the WTO's Trade-Related Technical Assistance Plan.

The United States is in a unique position to provide assistance on many levels—working with international organizations, national and local governments—using diverse methods. We recognize that there is no one-size-fits-all approach to TCB assistance. U.S. aid for trade is based on sustainability, ownership, and coordination, which enable the United States to provide flexible and creative assistance. As a donor,

U.S. AID FOR TRADE IS BASED ON SUSTAINABILITY, OWNERSHIP, AND COORDINATION, WHICH ENABLE THE UNITED STATES TO PROVIDE FLEXIBLE AND CREATIVE ASSISTANCE.

REGIONAL INTEGRATION AND CROSS-BORDER TRADE IN SOUTHEAST EUROPE

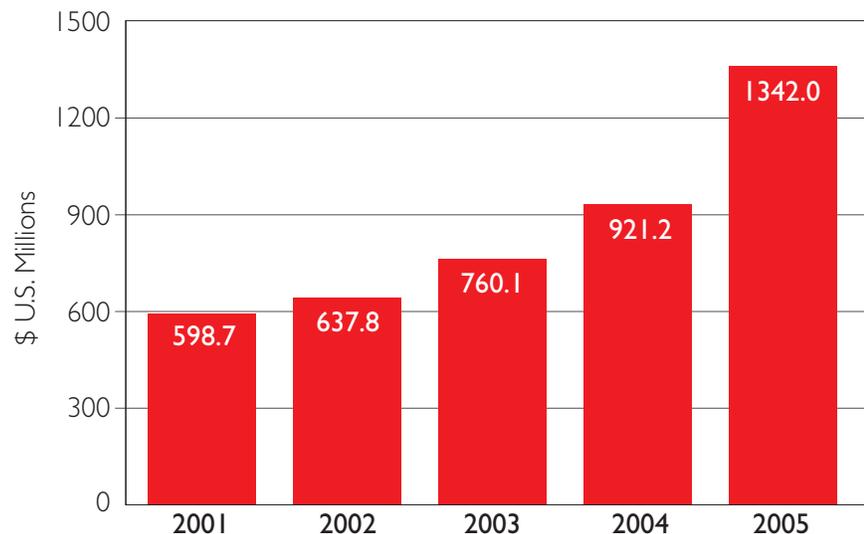
Southeast European countries are modernizing border services as a key step toward regional integration. The U.S. Customs and Border Protection Bureau of the U.S. Department for Homeland Security supports the Southeast European Cooperative Initiative in assisting customs administrations in Albania, Macedonia, Bulgaria, Romania, Serbia/Montenegro,

Croatia, and Bosnia/Herzegovina. The initiative facilitates cross-border trade, increases the effectiveness of border controls, and promotes international trade. The program contributed to a 62-percent decrease in the physical inspection rate, reduced commercial traffic wait times by 67 percent, and reduced duty collection by 140 percent.

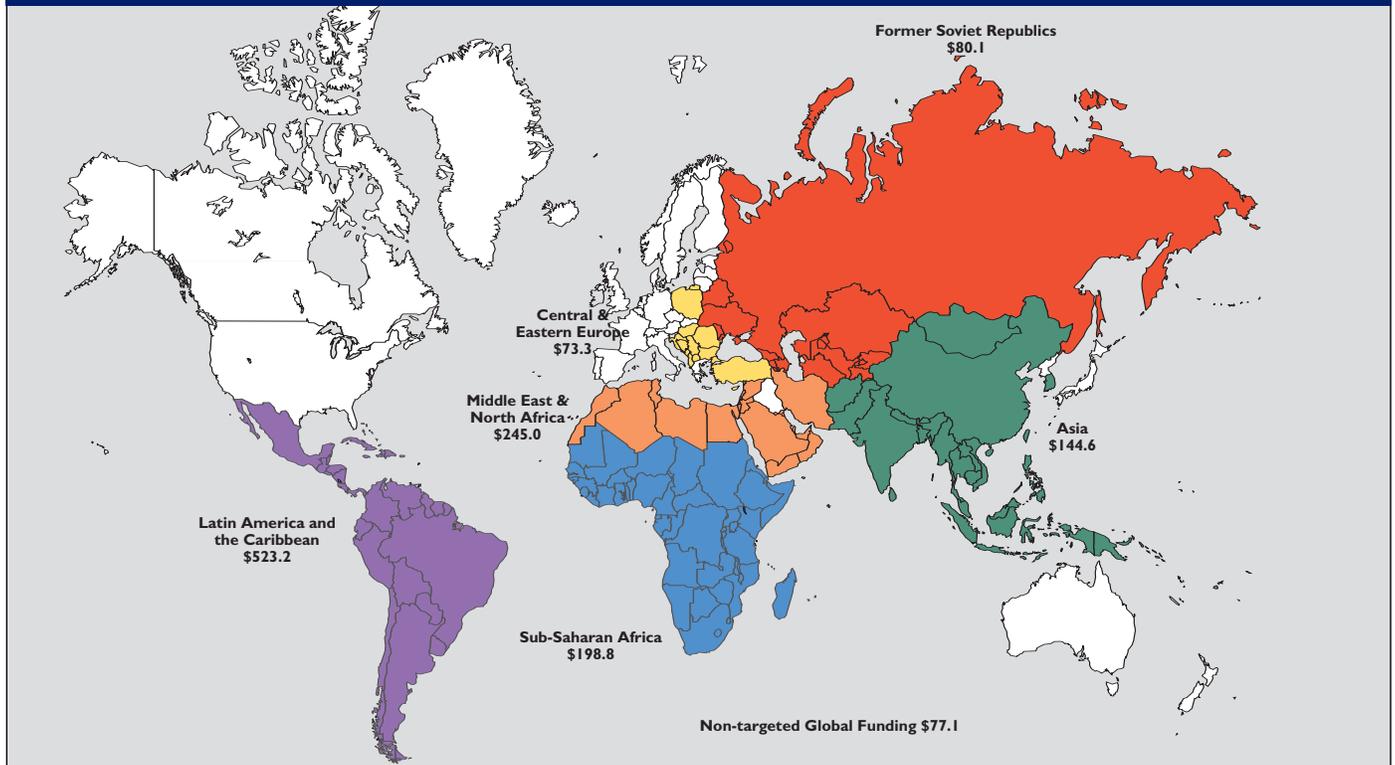
we strive to respond to the needs and priorities identified by our developing country partners and value their input to our TCB programs. We develop our assistance in line with the following:

- WTO: The United States continues its support of WTO technical assistance through the Global Trust Fund and the International Trade Centre.
- Integrated Framework (IF) process: The United States plays an active role in multilateral efforts to provide TCB to LDCs.
- Free Trade Agreements (FTAs): The United States provides technical assistance to help countries implement commitments under free trade agreements.

**U.S. Trade Capacity Building Assistance
2001-2005**



U.S. TRADE CAPACITY BUILDING ASSISTANCE – 2005 TOTAL FUNDING: \$1.34 BILLION¹



■ **Trade Preferences:** The new Africa Global Competitiveness Initiative, a \$200 million, five-year program, expands African trade with the United States, along with regional and other international partners, and promotes export competitiveness. The African Growth and Opportunity Act has also been extended through 2015 and includes third country fabric provisions through September 2007.

The leading implementer of our TCB efforts, the U.S. Agency for International Development (USAID), is present in over

70 countries, providing the United States with a unique opportunity to work with and respond to the needs of developing countries as they seize the opportunities of trade liberalization. Targeted bilateral or regional programs are a practical, effective way of providing aid for trade. More importantly, an on-the-ground approach enables the United States to build strong partnerships with developing countries. USAID's field programs are complemented by a range of TCB assistance provided by many other U.S. government agencies. The U.S. Trade and Development Agency, for example,

¹ Data are presented in millions of dollars and are based on the 2005 U.S. Government Trade Capacity Building (TCB) Survey. Survey results can be found in the U.S. Trade Capacity Building Database (www.usaid.gov, keyword: TCB Database); in the WTO Database of Trade-Related Technical Assistance and Capacity Building (<http://tcbdb.wto.org>); and on the attached CD-ROM. The CD-ROM contains summary tables for the 2005 U.S. Government TCB Survey.

LABOR LAW COMPLIANCE IN CENTRAL AMERICA AND THE DOMINICAN REPUBLIC

While labor laws in Central America generally conform to the International Labor Organization's Fundamental Principles and Rights at Work, enforcement difficulties remain. The U.S. Department of Labor helps to increase compliance with national labor laws in Central America, Panama, and the Dominican Republic. Activities include

promoting transparency through a website on national labor laws; strengthening inspection services of the Ministry of Labor; enhancing alternative dispute resolution mechanisms; and improving public awareness of labor rights. These activities help countries meet the labor obligations negotiated in their free trade agreements with the United States.

provides TCB assistance such as early investment analysis and sectoral development. USTDA-funded activities are carried out by the U.S. private sector, which often contributes additional resources to help countries address their TCB priorities.

Recognizing that public-private alliances multiply the impact of official development assistance, the United States seeks to engage the private sector in development partnerships. The private sector provides assistance that ranges from developing information technology skills to helping

small farmers. Examples of these partnerships include the following:

- The CISCO Networking Academy Alliance, which partners worldwide with several technology companies, teaches students computer networking and provides them with the skills required to compete effectively in the global marketplace.
- Starbucks and Green Mountain Coffee, through the Finance Alliance for Sustainable Trade, help small farmers shift to sustainable growing techniques and



Farmers in Kenya grade, weigh, and store produce to maintain quality and safety.

assist them in capturing a significant market premium for certified organic coffee. This alliance provides assistance in Central America and several African countries, including Rwanda, Tanzania, and Uganda.

Local businesses and farmers benefit from these efforts by developing new skills and forging partnerships with such companies, which enable them to tap into new markets and enhance their overall competitiveness.

The United States and its FTA partners have pioneered efforts to synchronize TCB with trade initiatives. A systematic and focused approach to assistance must be taken to support fast-moving negotiations in the WTO and other forums and to seize trading opportunities. The United States focuses its TCB efforts on initiatives that will yield tangible and timely results.

The Dominican Republic-Central America-United States Free Trade Agreement negotiations marked the first time that a separate TCB Working Group met in parallel with the negotiating groups. This model has since been used in U.S. FTA negotiations with the Andean countries, Southern African Customs Union, Thailand,

and others. During negotiations, the TCB Working Groups provide an opportunity for both bilateral and multilateral donors to listen and respond to the needs and priorities of our prospective FTA partners. Once the FTA is concluded, standing TCB Committees make aid for trade both more effective and more efficient. Official development assistance funding is limited, but by working together we can leverage the available funds to get the most out of our efforts.

Free Trade Agreement negotiations and TCB efforts work to strengthen labor and environmental protection, which are critical dimensions of trade. U.S. labor-related TCB efforts include activities designed to strengthen the rule of labor law, build efficient and responsive labor markets, address HIV/AIDS through workplace prevention, and reduce the incidence of the worst forms of child labor. Environmental protection is achieved through programs that enforce domestic environmental laws and regulations, and encourage citizen participation in environmental decision making. Other projects help meet international environmental standards and increase ecotourism.

**INTERNATIONAL
TRADE CAN PLAY A
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PROMOTION OF
ECONOMIC
DEVELOPMENT AND
THE ALLEVIATION OF
POVERTY.**

DOHA DECLARATION

Interagency working groups within the U.S. Government help improve the effectiveness and coherence of U.S. trade capacity building (TCB) activities. Coordination of these groups is led by the Office of the U.S. Trade Representative. United States TCB activities are strengthened by the resources and technical expertise of the following agencies: the U.S. Agency for International Development; the Millennium Challenge Corporation; the U.S. Trade and Development Agency; the Departments of Agriculture, Energy, Interior, Justice, Labor, State, and Transportation;

the Environmental Protection Agency; U.S. Customs and Border Protection of the Department for Homeland Security; the Commercial Law Development Program, International Trade Administration, U.S. Patent and Trademark Office, and the National Institute of Standards and Technology of the Department of Commerce; the Food and Drug Administration, the Federal Trade Commission, U.S. Export-Import Bank, and the Federal Mediation and Conciliation Service.

THE UNITED STATES AND THE WTO

Building the capacity of developing countries to trade helps countries realize the benefits of agreements reached in the Doha negotiations. The United States also provides developing countries with technical assistance for WTO agreements. This assistance enables developing countries to negotiate and implement market-opening and reform-oriented trade agreements on a bilateral or regional basis.

The United States provides support for countries that are in the process of acceding to the WTO. The United States

provided WTO accession and implementation services to Nepal, which officially became a WTO member in 2003, and Cape Verde and Saudi Arabia. Ukraine and a number of other countries in Eastern Europe and the former Soviet Union also have benefited from U.S. support in this area. In 2004, USAID responded to Ethiopia's request for assistance in its accession process by initiating a major, three-year project. The United States provided broad accession support in 2004 to Iraq and Afghanistan.



Grain at a market in Afghanistan.

TRADE CAPACITY BUILDING IN SUPPORT OF THE JULY FRAMEWORK

In July 2004, WTO members set out an ambitious agenda for completing the Doha Round of trade negotiations. At that time, members also recognized that developing country partners would need some assistance to participate in the negotiations, implement the agreements, and take advantage of the benefits of free trade. The “July Framework” specifies four areas of immediate interest: trade facilitation, agriculture, non-agricultural market access, and services. United States TCB efforts support our developing country trade partners in these areas. Examples of these efforts follow:

TRADE FACILITATION

United States assistance for trade facilitation supports regional and national initiatives to simplify, standardize, and harmonize customs and other border procedures; improve customs cooperation at bilateral, regional, and multilateral levels; and develop and strengthen cooperation and consultation between customs administrations and stakeholders. This may

include work in transparency, administrative practice and organization, risk management, customs valuation, harmonized system classification, rules of origin, importer audit, integrity awareness, and automation.

United States TCB partnerships achieve practical results when recipient countries identify their trade facilitation needs, taking into account input from all government agencies, the private sector, and civil society. Success is highly dependent on local commitment and intense collaboration with our developing country partners. Examples of trade facilitation capacity building follow:

- U.S. TCB supports implementation of commitments under the Dominican Republic-Central America-United States Free Trade Agreement to harmonize trade facilitation procedures throughout the region. Technical experts provide guidance on implementing new customs reforms and developing institutional support for operations.
- The United States is providing technical assistance to support the One-Stop Joint Border Control Project at the Kenya-Uganda border, which seeks to

CAPE VERDE ACCESSION TO THE WTO

United States technical assistance supported Cape Verde to gather and process the legal and technical information demanded by WTO requirements, including the Memorandum of Foreign Trade Regime, action plans, and responses to questions raised by WTO members

regarding Cape Verde’s trade regime. This assistance also facilitated a public-private dialogue in Cape Verde that helped develop a national consensus.

ARMENIAN PRODUCERS MEET INTERNATIONAL FOOD SAFETY REQUIREMENTS

Armenian meat and dairy exporters need to comply with international food safety standards in order to successfully market their products abroad. The U.S. Department of Agriculture (USDA) provided assistance to Armenian exporters in such areas as standards compliance, packaging and labeling, nutritional analysis, and refrigeration.

The USDA also conducted regional workshops on pasteurization to help Armenian dairies adopt quality improvement, food safety, and shelf-life extension in order to comply with international food safety requirements. Armenian meat and dairy producers are now better positioned for the global marketplace.

harmonize customs, immigration, and cargo tracking communications. The project helps develop an information technology corridor spanning the trade route between Mombasa, Kenya, and Kampala, Uganda.

- The United States helped the Philippines to standardize and simplify processes and procedures for clearing goods at the border. As a result, the Philippines developed a new customs

valuation law to implement WTO rules, and established an invoice value basis for shipments.

AGRICULTURE

Economic growth, trade expansion, and increased income-earning opportunities in developing countries are often linked to the agriculture sector. Trade-related standards, changing consumer preferences, and international advancements in science and technology are important factors



Improving productivity of the agriculture sector in Egypt.

affecting agriculture. To be successful, agricultural producers in developing countries require training, infrastructure support, good governance, sound policies, and a solid and progressive institutional base that supports market participation.

One of the primary U.S. assistance mechanisms for agriculture is the Presidential Initiative to End Hunger in Africa, which will help support the Comprehensive African Agricultural Development Program. This Initiative is a five-year program funded at \$200 million in 2006, and comparable amounts in subsequent years.

WTO Agriculture Agreement

Building on Uruguay Round commitments and the July 2004 Framework agreement for agricultural modalities, the United States has presented a comprehensive package to move the WTO agriculture negotiations forward and unleash the full potential of the Doha Development Agenda. The United States calls for WTO members to aggressively reduce tariffs, rapidly eliminate export subsidies, and substantially reduce trade-distorting domestic support, with deeper cuts by

countries with larger subsidies. The U.S. proposal calls for reform in two stages:

- Stage 1: Substantial reductions of trade distorting support measures and tariffs, along with the elimination of export subsidies, to be phased-in over a five-year period.
- Stage 2: Five years after implementing the first stage, an additional five year phase-in period will deliver the elimination of remaining trade-distorting policies in agriculture.

Reforming global agricultural trade is widely recognized as an important step toward expanding economic development and is forecasted to lift millions out of poverty.

Cotton

Cotton-producing countries are good examples of economies where agriculture is critical. African countries have underscored the important role that cotton plays in sustaining their economies and livelihoods. These countries have asked the international community to help address the trade and development aspects of the cotton market. The United

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MARKETING VIETNAMESE DRAGON FRUIT TO EUROPE

Dragon fruit from Vietnam has a strong reputation among European importers, but as competition from other exporting countries increases, Vietnam's fruit industry must take action to maintain its market share vis-à-vis international competitors. USAID's Vietnam Competitiveness Initiative helps dragon fruit exporters to develop a strategy for marketing dragon fruit in Europe. The strategy includes

improving fruit quality through the application of European procedures, adopting new and better varieties, lowering air freight costs through consolidation of shipments, and improving packaging and post harvest handling. The strategy helps boost exports and improves Vietnam's reputation as a reliable source of high-quality fruit.

TRANS-KALAHARI CORRIDOR IMPROVES MARKET ACCESS IN NAMIBIA

Heavily congested ports in South Africa face increasing difficulty competing in time-sensitive markets in North America and Europe. The Trans-Kalahari Corridor provides an alternative route to help relieve these congested ports. The corridor connects Namibia's Atlantic coast to its capital, to Botswana and to South Africa. USAID initiated a pilot project, and the U.S. Trade

and Development Agency helped fund a feasibility study, to improve the Trans-Kalahari Corridor. Improvements in transport costs, efficiency, and reliability will benefit the entire region. The corridor will help extend Namibia's ability to conduct trade and create a western gateway for the Southern Africa Development Community.

States is responding with both new and enhanced initiatives.

African countries including Benin, Burkina Faso, Chad, and Mali (the "four cotton countries"), and Senegal stand to benefit from the June, 2005, commitment by President George W. Bush to double U.S. assistance to Africa by the year 2010. These West African countries will benefit from the G-8's debt relief package for heavily indebted poor countries.

The Millennium Challenge Corporation (MCC) offers a significant new opportunity for many countries to address long-term development obstacles, including those related to cotton. It will result in hundreds of millions of grant dollars flowing into the region in a manner determined by recipient countries. Benin, Burkina Faso, Mali, and Senegal are each eligible to negotiate with the MCC for a Compact that would yield a large-scale grant.

USAID has designed a development assistance package for West Africa that will include strengthening private agriculture organizations, expanding the use of good agricultural practices, and improving the quality of cotton produced in the region.

Other U.S. efforts include sponsorship of the successful Biotechnology Conference in Mali, as requested by the four cotton countries; USDA-supported cotton classing and soil management programs for the four cotton countries; and U.S. Trade and Development Agency grants related to agribusiness in West Africa.

NON-AGRICULTURAL MARKET ACCESS

United States' assistance helps developing countries to take advantage of new trade opportunities in non-agricultural goods and services. Projects include supporting the removal of micro-level policy and regulatory constraints to business expansion, improved access to finance, marketing, and technology, and helping to improve product quality, productivity, and access to global markets (e.g., niche markets, branding, certifications). For instance, the United States is making the International Trade Centre's Market Access Map, which allows users to analyze protection at different levels of sectoral and regional aggregation, available to LDC exporters.

SERVICES

The United States provides support for developing countries that pursue open and well-regulated services markets to accelerate economic development and poverty reduction. United States TCB assistance supports implementation of the General Agreement on Trade in Services (GATS), as well as activities that help developing countries build their capacity to participate in trade in services and create complementary legal, regulatory, and institutional frameworks.

One way in which the United States seeks to help developing countries participate in the multilateral trading system is through its partnership with the International Trade Centre to conduct Services Capacity Assessments and GATS training. Services Capacity Assessments aim to inform key policy makers of the opportunities and national interests of participation in GATS negotiations. Efforts such as these help developing countries build strong services

sectors and reinforce the commitments to provide technical assistance made in the July Framework.

Other assistance ranges from energy services to sustainable tourism. The South Asia Regional Initiative includes an energy component that promotes mutually beneficial energy linkages among the nations of South Asia. The program promotes an understanding of the benefits of regional energy trade and builds capacity for energy trading opportunities. In Ecuador, technical assistance and training supports local-based ecotourism as a productive alternative to overfishing, enhances local governance, and promotes a marine zoning plan.



Produce from Kenya ready for shipment, locally or worldwide.

REFORMING INTELLECTUAL PROPERTY RIGHTS IN JORDAN

Prior to joining the WTO in 2000, Jordan faced enforcement difficulties regarding intellectual property rights (IPR). USAID and the U.S. Patent and Trademark Office worked with the Jordan Intellectual Property Association to improve enforcement of IPR in Jordan. As a result of U.S. assistance, the Government of Jordan drafted legislation to join international agreements on patent and trademark registration. The United States also

provided support for Jordan's National Library and public seminars to improve copyright awareness and strengthen enforcement. Jordan is now regarded as a regional leader in the enforcement of intellectual property laws. The number of copyright infringement cases referred to the courts has sharply increased with about 80 percent of those cases resulting in corrective actions.

THE UNITED STATES AND THE LEAST DEVELOPED COUNTRIES

The United States recognizes that the capacities of the Least Developed Countries (LDCs) call for special attention, and has devised specific assistance mechanisms to address LDC challenges. Among these mechanisms that support LDC efforts to build their trade capacity are the bilateral Millennium Challenge Corporation (MCC) and the multilateral Integrated Framework for Trade-Related Technical Assistance to LDCs (IF).

MILLENNIUM CHALLENGE CORPORATION

In Monterrey, Mexico, President George W. Bush called for a new compact for global development to link greater contributions from developed nations to greater responsibility from developing nations. In response, the United States established the MCC in 2004 to work with some of the



U.S. regional programs in West Africa support local populations.

poorest countries in the world. The MCC draws on 50 years of U.S. development experience and is based on the principle that aid is most effective when it reinforces good governance, economic freedom, and investments in people that promote economic growth and reduce extreme poverty.

At the heart of the MCC is the Compact, or agreement, between a developing country and the MCC. Working closely with the MCC, countries that are eligible to receive Millennium Challenge Account (MCA) assistance are responsible for identifying the greatest barriers to their development, and developing an MCA program that has broad civil society input. MCA participation requires a high-level commitment from the selected country. In turn, the United States is committed to supporting MCA Compact partners to help them reach their full potential. Trade is only one aspect of economic growth, and the Compact provides assistance broader than TCB alone. However, the United States recognizes that trade is a vital component of MCA countries' efforts to achieve their potential and become full participants in the global trading system. The MCC is an innovative response by the United States to the needs and priorities we have heard from around the world, including at Doha.

The MCC is working with LDCs and other developing countries and has compacts with Cape Verde, Honduras, Georgia, Madagascar, and Nicaragua. Twenty-three countries are now eligible to make MCA program proposals. Another fifteen countries are eligible for the MCC's Threshold Program. The U.S. Government looks forward to working with other governments demonstrating a commitment to the MCA principles in the coming years.

INTEGRATED FRAMEWORK FOR TRADE-RELATED TECHNICAL ASSISTANCE FOR THE LEAST DEVELOPED COUNTRIES

The United States is a strong supporter and active player in the IF, offering global leadership through our efforts in Geneva and concrete implementation at the local level. Working with LDC partners and other donors, we see the IF as being an effective mechanism for mainstreaming trade into each country's poverty reduction strategy, and coordinating delivery of assistance with the needs identified in the IF diagnostic studies.

A key part of U.S. support has been to serve two terms as a coordinator of bilateral donor participation in the IF. Experience shows that the sharing of timely and concrete information on the status of IF implementation on the ground facilitates practical problem-solving, promotes the dissemination of best practices, and helps

We want to make decisions ourselves. It is our country, and we have to take on leadership and responsibilities. Ladies and gentlemen, if you take a look at the last two issues, our vision and country ownership, you will realize why the MCA is so important for us. Here we have a new approach which helps us to implement our vision. We have opportunities to design and implement our own programs.

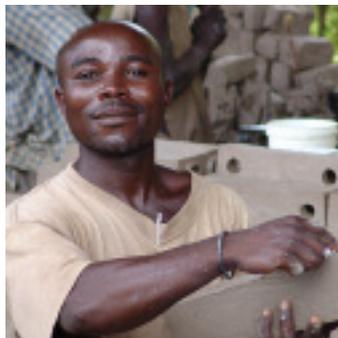
Marc Ravalomanana

President of Madagascar

April 19, 2005

maintain the momentum of the IF in each country. To advance these objectives further, the United States initiated and organized an IF simulation exercise in September 2005 in Addis Ababa. Public and private sector representatives from 17 LDCs, 12 donor countries, and five multinational corporations came together to identify best practices and concrete steps for strengthening the IF process in each participating country. The United States provided financial support for this event, as did the United Kingdom, Norway, and Denmark.

At the country level, U.S. donor agencies and their field missions actively look for opportunities to integrate national priorities identified through the IF process into their long-term regional and country assistance programs. In Mali and Mozambique, USAID field missions are providing continuous support to the National Steering Committees in their roles as the local “IF donor facilitator.” Mozambique’s success in mobilizing high level public and private sector support for the IF, and a coordinated local donor response, has been identified as a “best practice” for overall management of the IF process.



In Uganda, TCB helps small businesses grow.

The Government of Mali thanks the United States for its trade-related assistance and for its Lead Donor role within the context of the Integrated Framework, which is dear to the Ministry of Industry and Commerce. This assistance helps Malian exporters to conform to trade requirements in international markets. This opportunity reminds us all that enhancing exports contributes greatly to rural poverty reduction . . . Thanks to the United States, the Malian public institution responsible for trade policy and trade promotion has been equipped with computers, contributing greatly to its efficiency and performance. U.S. assistance is crucial for helping the Malian private and public sector stakeholders, involved in international trade, to understand better the trade requirements in foreign markets.

Mr. Mahamane Toure

Director, Department of Commerce and Competition
October 7, 2005

INTEGRATED FRAMEWORK IN MOZAMBIQUE

USAID assists Mozambique as the lead facilitator for the Integrated Framework process. USAID supported the Government of Mozambique to devise a national strategy and build consensus for trade-related growth and poverty reduction. Multiple stakeholders from the government, private sector, and multilateral and bilateral donors developed a Diagnostic Trade Integration Study, which was vetted in October 2004 in a widely attended national validation

workshop. As a result, consensus was reached, key constraints were identified, and the incumbent government took steps to address those constraints. Requests to donors were also coordinated through the IF Steering Committee. This effort withstood its first major test: Mozambique’s new government, elected following the national validation conference, endorsed and is acting on the recommendations agreed upon by the previous administration.



Clients using a Community Information Center in Mali.

**WE ARE COMMITTED
TO ADDRESSING THE
MARGINALIZATION
OF LDCS IN
INTERNATIONAL
TRADE AND TO
IMPROVING THEIR
EFFECTIVE
PARTICIPATION IN
THE MULTILATERAL
TRADING SYSTEM.**

DOHA DECLARATION

The U.S. bilateral TCB assistance to LDCs participating in the IF process has risen from \$36.6 million in 2001 to over \$132.9 million in 2005. This is supplemented by U.S. contributions to the IF trust fund and to related programs of the International Trade Centre in Geneva.

The United States has been an active participant in and supporter of a new Aid for Trade Initiative to support the Doha Development Agenda. Such an initiative should take a practical approach that builds on efforts that are currently working. The IF, a mechanism that has evolved through experience and has made measurable progress in integrating sound trade consid-

erations into national development plans, should be the center of such an initiative.

The Aid for Trade Initiative should focus on concrete enhancements to the IF, including, but not limited to, increased funding for assistance. This approach has the advantage of maintaining established and recognized principles for effective TCB, while avoiding a negative impact of separating the trade and development tracks of the Doha Development Agenda. The United States looks forward to working with LDCs to make sure that an Aid for Trade Initiative benefits them in a practical way.

PHOTO CREDITS

Cover photos:

Afghan girl: *Alejandro Chicheri/WFP*
Coffee farmer: *Lisa Rogers/DAI*
Kenyan woman: *USAID/Kenya*
Worker: *K. Burns*
Child at computer: *USAID*

Coffee farmer: *Lisa Rogers/DAI (p. 1)*
Kenyan woman: *USAID/Kenya (p. 4)*
Grain: *Martin Lueders/USAID (p. 6)*
Egyptian farmer: *USAID/Egypt (p. 8)*
Produce: *USAID/Kenya (p. 11)*
Worker: *USAID (p. 12)*

Worker: *K. Burns (p. 14)*
Woman at the computer: *D. Bilodeau (p. 15)*

ANNEX

United States Trade Capacity Building Assistance by Category 2001-2005

TCB CATEGORY	2001	2002	2003	2004	2005
WTO Awareness	8,250,253	9,518,213	8,389,916	6,297,984	6,857,445
WTO Accession	8,112,957	4,074,503	6,201,026	3,431,274	9,925,264
WTO Agreements (Sum of)	37,572,617	36,325,261	35,088,900	25,012,669	19,858,920
Agreements on Trade in Goods	2,653,722	1,039,694	671,330	380,349	998,975
Agreement on Agriculture	4,105,782	2,186,466	729,950	987,205	1,549,304
Agreement on Sanitary and Phytosanitary (SPS) Measures	6,788,308	9,857,862	6,995,360	7,246,468	8,725,989
Agreement on Technical Barriers to Trade (TBT)	4,840,140	4,643,520	4,401,560	1,801,453	1,642,870
Agreement on Trade-Related Investment Measures (TRIMS)	1,956,048	330,000	220,070	165,291	10,000
Agreement on Antidumping	32,770	703,562	103,680	202,462	30,000
Agreement on Customs Valuation Methods	3,462,136	3,974,680	6,651,130	3,014,549	1,000,506
Agreement on Rules of Origin	1,459,185	1,211,590	659,070	989,661	802,275
Agreement on Import Licensing Procedures	1,366,840	383,000	52,230	76,000	151,800
Agreement on Subsidies and Countervailing Measures (CVMs)	198,440	237,480	236,600	307,850	161,117
Agreement on Safeguards	108,400	664,562	149,750	272,027	101,117
General Agreement on Trade in Services (GATS)	3,423,691	1,558,513	3,878,527	1,086,044	1,518,317
Agreement on Trade-Related Intellectual Property Rights (TRIPs)	3,558,952	6,215,359	7,027,824	4,708,533	1,526,357
Agreement on Dispute Settlement	258,942	736,100	1,568,210	745,216	378,975
Agreement on Trade Policy Review Mechanism	1,508,041	485,000	252,920	219,220	15,000
Agreement on Government Procurement	1,851,219	1,993,873	1,480,000	2,029,473	696,317
Other WTO Agreements	-	104,000	10,689	777,868	550,000
Trade Facilitation (Sum of)	111,337,461	167,787,129	224,311,593	278,203,991	367,869,266
Customs Operation & Administration	-	19,900,167	21,505,858	31,801,583	17,004,953
E-Commerce & Information Technology	-	22,635,501	27,446,566	23,009,965	42,466,015
Export Promotion	-	30,992,468	67,413,517	87,250,531	97,755,987
Business Services & Training	-	74,482,426	76,102,461	94,645,233	153,900,696
Regional Trade Agreements (RTA)	-	9,449,448	29,262,861	32,741,228	28,684,386
Other Trade Facilitation	-	10,327,118	2,580,331	8,755,451	28,684,386
Human Resources & Labor Standards	132,074,621	99,664,527	115,292,905	138,396,841	87,695,235
Financial Sector Development & Good Governance	63,332,344	68,850,959	88,730,327	86,135,648	167,683,650
Physical Infrastructure Development	43,251,493	19,401,099	44,063,581	119,723,023	347,047,431
Environmental Trade & Standards	34,465,246	19,310,946	28,903,590	29,220,906	29,287,153
Competition Policy & Foreign Investment	37,038,793	28,667,469	23,901,142	22,824,831	27,480,569
Trade-Related Agriculture	41,628,190	84,002,132	104,494,091	114,906,661	160,986,437
Tourism Sector Development	6,051,892	20,989,283	10,623,252	19,126,614	21,882,684
Other Services Development	21,897,831	23,619,182	6,373,076	6,370,782	4,385,429
Government Transparency & Interagency Coordination	7,576,435	22,266,038	21,839,261	22,125,464	52,775,117
Total Trade Capacity Building	598,749,112	637,835,149	760,120,442	921,160,431	1,342,000,240

Source: U.S. Trade Capacity Building Database, USAID Development Information Services, <http://qesdb.cdie.org/tcb/index.html>.

Survey definitions can be found in the U.S. Trade Capacity Building Database (www.usaid.gov, keyword: TCB Database). Survey methodology can be found in the 2001 report *United States Government Initiatives to Build Trade-Related Capacity in Developing and Transition Countries – Main Report*.

For Further Information

About trade capacity in your country, see <www.usaid.gov>, keyword: TCB Report.

To find USAID mission websites and contact information, see <www.usaid.gov/locations/>.

For countries without a USAID mission, search the directory of U.S. embassies and consulates at <<http://usembassystate.gov/>>.

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