



UNITED NATIONS
ECONOMIC COMMISSION FOR AFRICA

**On evaluating Aid for Trade
In Africa**

There is no doubt that Aid for Trade (AfT) has a vital – and growing – importance in African context. African countries, regional economic communities (RECs) and continental bodies (including the African Union) are looking at AfT as a means to improve Africa’s capacity to trade, while supporting the regional integration processes. The United Nations Economic Commission for Africa (UNECA), as the premier technical body assisting Africa in its integration progress, has organised & participated – and is continuing to organise & participate – in events aimed at improving understanding of, and benefit from, AfT. It is also undertaking research activities related to AfT, in collaboration with the WTO, the African Union Commission (AUC) and the African Development Bank (AfDB).

Indeed, UNECA contributed actively to the “High-Level Workshop on Aid for Trade for EAC Countries”, held in Dar es Salaam on 14 – 15 June 2010, and the Central African AfT Review held in Douala on June 30 and July 1, 2010.

In the same vein, an “Expert Group Meeting and Workshop on Aid for Trade (AfT) and Africa’s Trading Capacity: Supply, Demand and Performance” was organised by UNECA in the period from May 31st to June 2nd 2010 in Addis Ababa, which brought together representatives from member states, RECs, transit & transport corridors, academia, IGOs, IFIs and development partners to examine selected studies on methodologies to assess the effectiveness of AfT, and to provide a forum for dialogue among development partners, African countries and Regional Economic Communities (RECs) on how AfT can support regional integration processes in Africa.

Common threads of discussion in the three events have produced a number of recommendations and suggestions for incorporation in future AfT work. They can be summarised as follows:

1. The definition of Aid for Trade remains based on Official Development Assistance, which includes concession loans. Participants suggested that the definition of the Aid for Trade should be based solely on grants, and that OECD reports and statistics should – therefore - provide disaggregated data of the share of ODA destined to AfT.
2. Access to Aid for Trade resources is based on mainstreaming trade into national and regional development strategies. In this respect, concerns were expressed that this process and the response of development partners to the needs expressed, remained ambiguous, in part because countries have difficulties in developing bankable projects by beneficiaries from their national development plans. Member States were urged to express their AfT needs clearly in their national development strategies and subsequently dialogue with development partners. Development partners were urged to respond positively, by assisting the mainstreaming process, through greater consultations between them and beneficiary countries. It was agreed that the allocation of AfT resources should respond to the national and regional development priorities in this area.
3. Although flows of Aid for Trade appeared to be growing, coverage predictability and political conditionalities were still an issue. Flows varied widely by year and by country. Development partners were – particularly - urged to allocate more AfT resources to small African economies, with a view to enabling them to increasingly engage in the global trading system. Simultaneously, member states were urged to create or enhance the enabling environment that would encourage the private sector to play a bigger role in both intra-African, as well as world trade. Member States were urged to prioritise the set up of national mechanisms (where they do not exist) and beef up their capacities, with the support of development partners, to follow-up and coordinate AfT issues at the national, regional, continental and global levels.
4. It was noted that existing review processes had been concentrated at global and continental level, while there was a need to compliment this with national- and regional-level monitoring. In this



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regard, the meeting recommended that part of the AfT resources should be earmarked for building the necessary consensus and convergence in the trade policy goals of the RECs.

5. Concerns relating to causality, attribution, and time lags complicate the design and implementation of Monitoring & Evaluation (M&E) methodologies. Existing research points to positive associations between key parameters for trade performance. Such research, however, is preliminary and global in approach; and information from country or regional studies to buttress the positive preliminary findings from global/macro studies seemed to be missing. Development Partners were urged to respond positively to these needs by continuing to mobilise “more and better” resources to support regional integration processes. It was also agreed that the regional integration process should continue taking due account of the special needs of landlocked countries and the vulnerable economies as the overarching objective is to promote intra-African trade.
6. Existing evaluations do not - for the most part – consider global trade impacts. Evaluations are typically specific to individual projects, programmes and donors. The views of the Member States and RECs on the alignment, relevance, effectiveness and impact of AfT are absent. Efforts must be made to strengthen the mutual accountability frameworks, so that the voice of the Member States and RECs can be heard. Member States were urged to lead the planning, monitoring and evaluation of AfT, and that all the stakeholders are involved at national and REC levels, in order to ensure proper ownership of AfT programmes and projects. These evaluations must consider how AfT contributes to the fulfilment of concrete objectives outlined in the national and regional development strategies.
7. AfT data sets are incomplete, either in time series coverage or at the level of appropriate indicators. Trade objectives expressed in national development strategies or regional development plans are not for the most part accompanied by management-for-development- results approaches. Appropriate indicators to measure the trade objectives are still largely absent. M&E should also recognise the growing influence of emerging South-South partners; a matter to be factored in future research.
8. Member States expressed the concern that M&E was being driven by accountability frameworks in OECD countries. Concerns were expressed that M&E should not overburden already over-stretched national administrations, which should benefit from appropriate assistance to face the requirements and costs of M&E processes. Similarly, it was recommended that the RECs’ capacities in the process of monitoring and evaluation should also be strengthened.
9. Recommendations were made to introduce management-for-development-result frameworks into trade objectives in national development and regional development plans; and to use a case study approach to ensure that a body of evidence on the outcome and impact of projects could be collected, involving the views of the Member States and RECs. To improve the harnessing of AfT at national and regional levels, African Member States and RECs are to seek ways to engage in public-private partnerships (PPP) which include the concerns and needs of the private sector.
10. The ECA, in collaboration with AUC, AfDB, and other regional institutions were requested by member states to further develop and share their own experience and expertise in the monitoring and evaluation of . The ECA and AfDB, as well as all the development partners, were requested to offer support to Member States and RECs in the case study approach to the evaluation of AfT. Development partners were urged to unify their different frameworks and methodologies on AfT to facilitate reporting and assessing the effects of AfT.

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