

# Page 5: ABOUT YOU

**Q1** Donor Country (or headquarters location in the case **EUROPEAN UNION** of Organizations)

**Q2** About you

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Page 7: SECTION 1: AID-FOR-TRADE PRIORITIES (YOUR GOVERNMENT'S AID-FOR-TRADE PRIORITIES)

Q3 Do you have an Aid-for-trade strategy? Yes

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**Q4** If yes, please indicate your Aid-for-Trade priorities:Below are listed the most common priority areas grouped according to broad Aid-for-Trade categories. Please rank the top 5 priority areas among the ones listed below.(1 being the most important)

| Connecting to value chains                                |
|---|
| Network infrastructure (power, water, telecommunications) |
| Trade facilitation  |
| Trade policy analysis, negotiations and implementation    |
| Other priority areas including: MSMEs, Women's economic   |
| empowerment, Youth, etc. (please specify)                 |

Please specify further the priorities that you selected above as well as the main problems/obstacles encountered in furthering them and provide a weblink to the relevant strategy.

The EU channels significant volumes of aid in the areas covered by the Aid for Trade initiative. More than 30% of EU ODA falls under the Aid for Trade categories. Therfore, the EU does not have a single set of priorities. The priority areas are defined with partner countries according to each country requirements and capacities, and therefore may cover many of the priority areas listed above overall. The provided ranking is only indicative of common priority areas prioritised with partner countries and regions. The EU Aid for Trade Strategy was updated in December 2017 by means of the following two policy documents: 1) European Commission Communication COM(2017)667 final https://ec.europa.eu/europeaid/aid-tradecommunication-achieving-prosperity-through-tradeand-investment\_en 2) European Council Conclusions

http://data.consilium.europa.eu/doc/document/ST-15573-2017-INIT/en/pdf Sustainability and inclusiveness (women, youth, social and environmental objectives) are now at the core of the updated EU Aid for Trade Strategy.

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**Q5** If no or unsure, does your development policy include trade priorities?

Yes

15573/17

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**Q6** If yes, please indicate the trade priorities in your development policy. Below are listed the most common priority areas grouped according to broad Aid-for-Trade categories. Please rank the top 5 priority areas among the ones listed below. (1 being the most important)

| Connecting to value chains   | 1   |
|--|---|
| Regional integration   | 2   |
| Other areas including: MSMEs, women's economic empowerment, Youth issues etc. (please specify) | 3   |
| Please specify further the priorities that you selected above as                               | New European Consensus on Development: ht |

Please specify further the priorities that you selected above as well as the main problems/obstacles encountered in furthering them and provide a weblink to the relevant strategy.:

New European Consensus on Development: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/? uri=OJ:C:2017:210:FULL&from=EN

# Page 11: SECTION 1: AID-FOR-TRADE PRIORITIES

**Q7** Has your Aid-for-Trade strategy, or trade priorities in your development policy, changed since 2016?

#### Yes,

Please specify further and include a weblink to the relevant development strategy.:

The EU Aid for Trade Strategy was updated in December 2017 by means of the following two policy documents: 1) European Commission Communication COM(2017)667 final https://ec.europa.eu/europeaid/aid-trade-communication-achieving-prosperity-through-trade-and-investment\_en 2) European Council Conclusions 15573/17 http://data.consilium.europa.eu/doc/document/ST-15573-2017-INIT/en/pdf The objectives of the new strategy (against that of 2007) as such remain unchanged: poverty reduction through trade-led inclusive and sustainable growth. What changes is how the EU can better combine its various policy instruments for that purpose: Aid for Trade, EU trade agreements, EU investment instruments.

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Q8 If yes, please rank the top 3 drivers of these changes: (Please choose no more than 3 options)

2030 Sustainable Development Goals

Trade Facilitation Agreement Implementation

Other (please specify)

Additional information on the top 3 drivers of changes in your Aid-for-Trade priorities since 2016.:

1

2

Main Drivers: SDGs: The 2030 Agenda brought about an increased complexity for Official Development Assistance (interdependence of the 17 SDGs and its 169 targets) while calling for the mobilisation of other Means of Implementation (trade, investment, private sector) beyond ODA. Others: a) EU Trade and Investment instruments: With the multiplication of EU FTAs with Developing countries since 2007, there was a case for EU Development Cooperation to use them further as leverage for sustainable development (in all three dimensions: economic, social, environmental). Likewise, EU's investment instruments (blending, the External Investment Plan) that are active in areas also falling under the Aid for Trade initiative, offer leverage opportunities. b) Women and youth empowerment, social and environmental sustainability c) Althrough being those most in need, LDCs absorption of Aid for Trade has not picked-up overtime. TFA: The updated EU Aid for Trade Strategy is about a more relevant Aid for Trade delivery. This means delivering the right support at the right time. The Trade Facilitation Agreement is a landmark in that it embeds development cooperation. As such, it provides a crear blueprint for reform and facilitates donors alignment and coordination.

**Q9** Have these changes been reflected in your dialogue with partner countries and development institutions?

Yes

**Q10** Please provide names, titles, references or weblinks to policy documents relevant to Aid for Trade in your country.

The EU Aid for Trade Strategy was updated in December 2017 by means of the following two policy documents:

1) European Commission Communication COM(2017)667 final

 $https://ec.europa.eu/europeaid/aid-trade-communication-achieving-prosperity-through-trade-and-investment\_enulce for the communication of the communication$ 

2) European Council Conclusions 15573/17

http://data.consilium.europa.eu/doc/document/ST-15573-2017-INIT/en/pdf

# Page 14: SECTION 2: AID FOR TRADE IN SUPPORT OF ECONOMIC DIVERSIFICATION

**Q11** Is economic diversification a priority in your development or Aid-for-Trade strategy?

Yes

Q12 What are the main constraints to economic diversification identified that your development or Aidfor-Trade strategy seek to address?(You may tick more than 1 box)

**High input** costs High trade costs Inadequate network infrastructure (power, water, telecommunications) Limited access to trade finance Limited agricultural production capacity Limited customs and other border agency capacity Limited inward foreign direct investment Limited industrial or manufacturing capacity Limited network and/or transport infrastructure of a cross border nature Limited services capacity, Limited standards compliance Low levels of training and skills Poor international competitiveness, **Small domestic** market Transport infrastructure (airport, roads, rail, port) Unaffordable and/or unreliable electricity access,

diversification as identified in your Aid-for-Trade strategy.: The EU provides Aid for Trade through bilateral, regional and thematic interventions in more than a hundred partner countries. The constraints identified to economic diversification therefore vary widely across partner countries. Such identification is based on needs assessments and diagnostics (when available) and dialogue with partner countries' government, private sector and other stakeholders.

Additional information on the main constraints to economic

Q13 Please indicate in which category(ies) of aid-for-trade financing you provide aid- for- trade support for economic diversification. (You may tick more than 1 box and/or leave boxes unticked if you do receive support)

Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards)

Trade-related infrastructure (Including physical infrastructure)

Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)

Other trade related needs

Additional information on which categories of aid-for-trade financing you provide aid-for- trade-support for economic diversification.:

The EU provides Aid for Trade through bilateral, regional and thematic interventions in more than a hundred partner countries. The definition of the categories of aid-for-trade that the EU provides to support economic diversification therefore varies widely across partner countries.

**Q14** Does the aid-for-trade support you provide for economic diversification align with partners' priorities as established in their national or regional trade and development strategy(ies)?

## Yes,

Additional information on how the aid-for-trade support you provide for economic diversification aligns with the priorities established in partners national or regional trade and development strategy(ies).:

The identification of Aid for Trade support for economic diversification is based on national/regional strategies, needs assessments and diagnostics (when available), dialogue with partner countries governments, private sector and other stakeholders. The EU is committed to the key principles of development effectiveness, defined in the Busan outcome, among which the Country ownership.

**Q15** Has the aid-for-trade support you provide in economic diversification recorded progress in partner countries since the launch of the Aid-for-Trade initiative in 2006?

#### Yes,

Additional information on whether the aid-for-trade support for economic diversification you provide recorded progress.:

Progress is measured on a project basis and agregated by country/region through country, region, strategic and thematic evaluations. Project results can be found here: https://ec.europa.eu/europeaid/projects-ground\_en, and sort by theme. Evaluation reports can be found here: https://ec.europa.eu/europeaid/node/80199 en

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Q16 If yes please specify, in which area(s):(You may tick more than 1 box)

## **Export**

diversification

Structural transformation,

# Industrialization, including manufacturing value added

Additional information on the progress that your government has recorded in economic diversification since the launch of the Aid-for-Trade initiative in 2006.:

Examples: Export diversification: PRO CADENAS - Project for the Promotion of Diversified and Sustainable Livestock Production, Paraguay

https://ec.europa.eu/europeaid/projects/pro-cadenas-project-promotion-diversified-and-sustainable-livestock-production-0\_en Structural transformation: Adaptation Strategies of Banana Producing Countries https://europa.eu/capacity4dev/article/eu-supports-adaptation-strategies-ten-banana-producing-countries Industrialisation: EU support to Ethiopia https://ec.europa.eu/europeaid/news-and-events/european-union-steps-its-support-ethiopia-eu130-million\_en

**Q17** If yes, please also indicate in which sector(s):(You may tick more than 1 box)

Agriculture,

Industry,

Services,

Fisheries.

Forestry,

Additional information on the sector(s) where progress in economic diversification has been made.:

Additional information and examples: Agriculture: https://ec.europa.eu/europeaid/sectors/food-and-agriculture/sustainable-agriculture-and-rural-development/value-chains-agricultural\_en Industry: EU support to Ethiopia https://ec.europa.eu/europeaid/news-and-events/european-union-steps-its-support-ethiopia-eu130-million\_en Services: Lao PDR, Luang Prabang - Handle with care

https://ec.europa.eu/europeaid/projects/luang-prabang-handle-care en Fisheries:

https://ec.europa.eu/europeaid/sites/devco/files/fisheries-aquaculture\_en.pdf Forestry:

https://ec.europa.eu/europeaid/sectors/environment/sustainable-forestry\_en

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Q18 In which category(ies) of Aid for Trade is the support you provide impactful for economic diversification?(You may tick more than 1 box and/or leave boxes unticked if you do not receive support)

Trade facilitation.

Trade-related infrastructure (Including physical infrastructure)

Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)

Business support services,

Banking and financial services

Building productive

capacity

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Q19 What factors contribute to the success of the aidfor-trade support you provide for economic diversification?(You may tick more than 1 box. Please limit your answer to the top five factors) Leveraging of foreign direct , investment

Mobilization of domestic private investment

Other (please specify)

Additional information on the factors that contribute to the success of the aid-for-trade support your provide for economic diversification.:

An improved investment climate is conducive to increased domestic and foreign private investment, which in turn are key factors for economic diversification. Market access and the degree to which local productive capacities are fit for seizing market opportunities (especially those created by trade agreements) are also key factors for successful economic diversification.

**Q20** What factors may limit the success of the aid-fortrade support that you provide for economic diversification?(You may tick more than 1 box. Please limit your answer to the top five factors.) Failure to mobilize domestic private investment

Inability to leverage foreign direct investment

Limited financing for the private sector

Limited services capacity

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**Q21** Does the Aid for Trade you provide help mobilize other forms of development finance for economic diversification in partner countries (i.e. non-concessional financing, foreign direct investment, remittances, trade finance, etc.).

#### Yes.

Additional information on how Aid for Trade helps mobilize other forms of development finance for economic diversification.:

Blending is the combination of EU grants with loans or equity from public financiers and private investors. Through blending, the purpose of EU funding is to increase the funding volumes available for a particular investment by attracting extra financing, both public and private. Since a first facility was introduced in 2007, EU regional blending facilities have been established in all regions covered by EU development cooperation. Over the last ten years, around EUR 3.4 billion worth of EU grants funded over 380 blended projects. The EU grant contributions have leveraged approximately EUR 26.2 billion of loans by European finance institutions and regional development banks. Blending has helped unlock investments with an estimated volume of EUR 57.3 billion in developing countries. Additional funds to the EU grants have come primarily from development finance institutions in the form of loans. Although not formally accounted as Aid for Trade, most blended projects concern sectors relevant to the Aid for Trade initiative. Synergies between EU AfT and EU blended projects can be further exploited to increase scale and impact of EU responses. https://ec.europa.eu/europeaid/policies/innovativefinancial-instruments-blending/blending-operations\_en The European External Investment Plan (EIP) introduced a landmark shift in the EU relations with Africa and the EU Neighbourhood countries and provides the framework for a massive mobilisation of private investment. The Plan offers an integrated and coherent framework along three pillars (Pillar 1: European Fund for Sustainable Development (ESFD); Pillar 2: Technical Assistance; Pillar 3: Promoting a Conducive Investment Climate). https://ec.europa.eu/commission/eu-external-investmentplan en

**Q22** To which partner country(ies) or territory(ies) do you provide aid-for-trade financing for economic diversification?(You may tick more than 1 box)

Afghanistan,

Albania,

Algeria,

Angola,

Argentina,

Armenia,

Bangladesh,

Belarus,

Belize,

Benin,

**Bolivia, Plurinational** 

State Bosnia and Herzegoniva Botswana, Brazil, Burkina Faso, Burundi, Cabo Verde Cambodia, Cameroon, **Central African** Republic Chad, Chile, China, Colombia, Congo, Costa Rica Côte d'Ivoire, Cuba, **Democratic Republic of the** Congo Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Ethiopia, Eswatini, Fiji, Gabon, The Gambia, Georgia, Ghana, Guatemala,

Guinea,

Haiti,

Guinea-Bissau,

India, Indonesia, Iran, Iraq, Jordan, Kazakhstan, Kenya, Kyrgyz Republic, Lao People's Democratic Republic Lebanon, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Mali, Marshall Islands Mauritania, Mauritius, Mexico, Moldova, Mongolia, Montenegro, Montserrat, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nauru, Nicaragua, Niger, Nigeria, Niue, Pakistan, Panama, Papua New Guinea,

Honduras,

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Paraguay,
Peru,
Philippines,
Rwanda,
Saint
Helena
Senegal,
Sao Tome and
Principe
Seychelles,
Sierra
Leone
Solomon
Islands
Somalia,
South Africa,
South Sudan,
Sri Lanka,
Suriname,
Syrian Arab
Republic
Tajikistan,
Tanzania,
Thailand,
Timor-Leste,
The former Yugoslav Republic of
Macedonia
Togo,
Tonga,
Tunisia,
Turkey,
Turkmenistan,
Uganda,
Ukraine,
Uruguay,
Uzbekistan,
Vanuatu,
Venezuela, Bolivarian Republic
of
Viet Nam,
Wallis and
Futuna
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West Bank and Gaza

**Strip** 

Yemen,

Zambia.

Zimbabwe,

Additional information on the partner country(ies), territory(ies) or regional programmes in which you provide aid-for-trade financing for economic diversification.:

EU Aid for Trade is demand-driven, and the result of a programming process with partner countries. All developing countries are eligible to receiving EU Aid for Trade either through bilateral or regional enveloppes, but only those currently or recently having benefited from EU Aid for Trade projects are stated.

**Q23** Through which channels do you provide aid-for-trade financing for economic diversification?(You may tick more than 1 box)

Bilateral programmes,

Multilateral institutions,

Regional programmes,

Other, e.g. new institutions or programmes

**Q24** With which South-South partner(s) do you partner to offer financing for economic diversification?(You may tick more than 1 box or leave all boxes unticked if you do not partner with any)

Chile\*,

Indonesia,

Thailand,

Other (please specify)

Malaysia,

Argentina,

Brazil,

South Africa,

Singapore,

Additional information the South-South partner(s) you partner with to provide financing for economic diversification.:

South-South partners with current triangular cooperation actions, or under consideration. Other being implemented: Uruguay Other being considered: Malasya, Thailand... Example: Cuba/Chile http://www.adelante-i.eu/pasantias-de-profesionales-cubanos-en-chile

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**Q25** Looking ahead, in which sectors do you anticipate future support for economic diversification to be required? (You may tick more than 1 box)

Agriculture,

Industry,

Services,

Fisheries,

Forestry,

Additional information on the sectors that you anticipate will require most support for economic diversification.:

Needs vary from one country to another and the EU responds to those needs. Therefore, all sectors are potentially eligible.

**Q26** Looking ahead, in which category(ies) of aid-for-trade financing do you anticipate that you will continue to provide aid-for-trade support for economic diversification. (You may tick more than 1 box and/or leave boxes unticked if you do not receive support)

Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards)

Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)

Additional information on the categories of aid-for-trade financing in which you will continue to provide aid-for-trade support for economic diversification.:

Needs vary from one country to another and the EU responds to those needs. Therefore, all sectors are potentially eligible.

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**Q27** Is there any Aid for Trade project or programme for economic diversification that you would like to showcase as an example of best practice?(Please provide additional information and include weblinks as relevant)

Examples of EU Aid for Trade projects can be found in the EU Aid for Trade Report 2018: https://ec.europa.eu/europeaid/eu-aid-trade-progress-report-2018 en

Other examples including weblinks are:

#### **ARMENIA**

Support to Agriculture and Rural Development - ENPARD Armenia https://www.youtube.com/channel/UCnSqqXl1o3gsn1fN6F8Dclg

# GEORGIA

Private Sector Development and Technical Vocational Education and Training, South Caucasus https://www.giz.de/en/worldwide/20324.html

EBRD and EU help boost Georgia's agritourism potential

# 2019 Aid for Trade - Donor Questionnaire

EBRD and EU help boost Georgia's agritourism potential Women in Business support helps Georgian hotel boost profits and turnover Meet the Georgian ICT Cluster – a new player in the field http://www.eu4business.eu/georgia

#### **MOLDOVA**

http://dcfta.md/

EBRD Credit Line in Moldova to help local SMEs invest in improvements of product quality and modernization of their services to meet EU standards. This project will support the integration of the Moldovan economy into European markets.www.eu4business-ebrdcreditline.com

Support to Quality Infrastructure Framework within a DCFTA context in the Republic of Moldova to support diversification and creation of rural businesses, specifically micro, small and medium size enterprises, increase employment generation, attraction of foreign investment, and decrease of migration flows from rural to urban areas or even abroad. SMEs (up to 75 companies will be selected)

Twinning Project "Support to the modernisation of Customs Service of Moldova in line with AA requirements". The overall objective of the project is to support the Republic of Moldova (RoM) in the necessary preparation for implementing the Single Window (SW) and the New Computerised Transit System (NCTS) - requirements foreseen in the chapter on the Deep and Comprehensive Free Trade Area (DCFTA) of the Association Agreement (AA). http://www.eu4business.eu/programme/visibility-and-communication-actions-related-aadcfta-implementation-framework-eu-funded

The EU supports the High Value Crop and Horticulture Project (HVCHP) which seeks to increase the contribution of the agricultural sector to poverty reduction in Eswatini by creating pro-poor growth, securing livelihoods of small holder farmers by providing them marketing opportunities and providing locally produced diversified food on the market. http://www.swade.co.sz/projects/hvchp/index.php

The trade and private sector development project in Nepal seeks to contribute to the efforts of the Government of Nepal to reduce poverty and to stimulate trade-led economic growth by strengthening trade competitiveness. http://www.eu-tpsd.com/

EU4Business Georgia supports the government's ambitious plan to reform and improve the business environment. Its programmes boost SME growth by improving their access to finance and new markets as well as targeting women entrepreneurs and projects in green energy. SMEs looking to make the most of Georgia's Free Trade Agreement with the EU can also get financial and technical help to adapt to EU standards and to move into foreign markets.

http://www.eu4business.eu/georgia

Support for CARIFORUM role in regional cooperation and Economic Partnership Agreement (EPA) Implementation. The specific objectives are to support the policy and political dialogue as well as the development cooperation relationship between CARIFORUM and the EU and to support the implementation of the CARIFORUM/EU EPA.

 $https://ec.europa.eu/europeaid/sites/devco/files/aap2-financing-regional caribbean-annex 2-2016-20161213\_en.pdf$ 

Advancing Afghan Trade (AAT) - EU Trade-Related Assistance in Afghanistan. The project uses trade as a lever for economic growth by facilitating job creation, poverty reduction and enhanced regional cooperation. http://www.intracen.org/AAT/

Trade Support Programme (ACOM) in Angola - Economic & Trade Diversification

The project purpose is to enhance the local capacity to diversify the economy, negotiate and implement multilateral and regional trade agreements, with a particular focus on the Southern African Development Community (SADC) Trade Protocol and the participation of Angola to the SADC Free Trade Free Trade Area (FTA), with the ultimate aim to increase non-oil export flows.

Trade related assistance for Mongolia (EU-TRAM) - Diversification, Trade & Economic Growth

The overall objective is to enhance Mongolia's international trade and economic diversification and to contribute to sustainable economic growth and development of the country, with the ultimate goal of reducing poverty and external vulnerabilities.

https://www.facebook.com/pg/TRAMPoject/posts/

PRAIAA, Central America. The objective is to support the adoption and consolidation of common instruments, procedures and mechanisms that are necessary to facilitate trade within the region and the implementation of the EU-Central America trade agreement; to promote greater awareness and participation of interested parties in the Central American economic integration process; and to support national and regional institution coordination and strengthening, related with the Central American economic integration process.

https://www.sieca.int/index.php/que-es-el-praiaa/?lang=en

The EU support is focusing precisely on supporting Mauritius to improve the business and investment climate to enhance economic growth and job creation. The project value is EUR 12 million of which the EU is funding the amount of EUR 10 million. The key expected outcomes of EU support include:

- (a) Streamlined licensing process and eliminate discretionary powers through creation of rule based system
- (b) Undertake Regulatory Impact Assessment as a means to improve policy formulation and ensure the implementation of better quality regulations for businesses
- (c) Setting up of a E-Licencing platform

In Côte d'Ivoire, the EUR 16 Million PACIR (Programme d'appui au Commerce et à l'Intégration Régionale) has aimed at improving the investment climate through a series of interventions in support of the establishment of an arbitration court, of the adjustment of national regulations to the regional and multilateral legal contexts, of a fully owned trade policy with a clear identification of investment and trade priority sectors, of an early warning mechanisms on trade obstacles and of simplification and transparency of customs procedures. As a result, Côte d'Ivoire's ranking in the "Doing business" classification has moved up from 167 in 2010 to 142 in 2016. Exports have increased and also the share of Côte d'Ivoire in world exports, which has positively impacted on the ability of Côte d'Ivoire to take advantage of the new Economic Partnership Agreement and its preferences on the EU market. Import delays have improved from 864 hours in 2011 to 125 hours in 2016. PACIR has been the first programme of this size in favour of Ivorian competitiveness and a number of Ivorian companies have been able to expand their business and create jobs thanks to its results.

This approach has been complemented by a budget support programme aimed at improving transparency in the judiciary system and in public procurement, which are two other key elements of the investment climate, and a regular dialogue with both authorities and private sector on impactful policy reforms.

# Page 22: SECTION 3: AID FOR TRADE IN SUPPORT OF ECONOMIC EMPOWERMENT

**Q28** Is economic empowerment a priority in your aid-for-trade and development strategy?

#### Yes.

If yes, please provide additional information on how economic empowerment is prioritized in your aid-for-trade and development strategy.:

See Sustainability section (4.3) of the Commission
Communication COM (2017) 667 of 13 November 2017
and Council Conclusions 15573/17 of 11 December 2017
https://ec.europa.eu/europeaid/sites/devco/files/com\_2017
\_667\_f1\_communication\_from\_commission\_to\_inst\_en\_v3
\_p1\_954389.pdf See the new European Consensus on
Development

https://ec.europa.eu/europeaid/sites/devco/files/european-consensus-on-development-final-20170626\_en.pdf

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**Q29** For which groups does your aid-for-trade strategy seek to promote economic empowerment?(You may tick more than 1 box)

Women's economic empowerment

Micro, Small and Medium Sized Enterprises

Youth economic empowerment

**Q30** Does your aid-for-trade or development strategy propose any indicators to track economic empowerment or include any targets to achieve?

### Yes,

If yes, please provide additional information the indicators or targets on economic empowerment included in your aid-for-trade strategy.:

Women Economic Empowerment: 2017 Annual Implementation Report of Gender Action Plan II https://europa.eu/capacity4dev/public-gender/documents/2017-annual-implementation-report-gap-ii Youth Economic Empowerment: Youth is a cross-cutting element within the new European Consensus on Development. It recognises young people as essential contributors to the implementation of the 2030 Agenda. It considers them as agents of development and change, including through their ability to innovate. Young persons can play a central role as active citizens for sustainable and prosperous societies if there are not left behind and trapped into vulnerable situations.

https://ec.europa.eu/europeaid/sites/devco/files/european-consensus-on-development-final-20170626\_en.pdf
MSMEs: European Commission Communication "A
Stronger Role of the Private Sector in Achieving Inclusive
and Sustainable Growth in Developing Countries"
COM(2014) 263 final https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?

uri=CELEX%3A52014DC0263&qid=1400681732387&from =EN

**Q31** Does your aid-for-trade or development strategy link economic empowerment in partner countries to their participation in international trade?

### Yes,

If yes, please provide additional information on how your aid-for-trade or development strategy links economic empowerment to participation in international trade.: Commission Communication COM (2017) 667 of 13 November 2017 and Council Conclusions 15573/17 of 11 December 2017

https://ec.europa.eu/europeaid/sites/devco/files/com\_2017 \_667\_f1\_communication\_from\_commission\_to\_inst\_en\_v3 \_p1\_954389.pdf

http://data.consilium.europa.eu/doc/document/ST-15573-2017-INIT/en/pdf

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Q32 Please indicate in which category(ies) of aid-fortrade financing you provide support for Aid for Trade for economic empowerment. (You may tick more than 1 box and/or leave all boxes unticked if you do not receive support) Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards)

Trade-related infrastructure (Including physical infrastructure)

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Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)

Other trade related needs

Additional information on the categories of aid-for-trade financing in which you provide support for Aid for Trade for economic empowerment.:

Economic empowerment is mainstreamed accross Aid for Trade sectors

Q33 Does the aid-for-trade support you provide for economic empowerment align with the empowerment priorities established in partner countries national or regional trade and development strategy(ies)?

#### Unsure,

Additional information on how the aid-for-trade support you provide for economic empowerment aligns with the empowerment priorities established in partner countries national or regional trade and development strategy(ies).: Priorities may not always coincide in full, but the EU systematically incorporates empowerment priorities in its policy dialogue with partner countries.

**Q34** Is women's economic empowerment a priority in your development or aid-for-trade strategy?

#### Yes.

Additional information on how women's economic empowerment is prioritized in your development aid-fortrade strategy.:

Commission Communication COM (2017) 667 of 13 November 2017 and Council Conclusions 15573/17 of 11 December 2017

https://ec.europa.eu/europeaid/sites/devco/files/com\_2017 \_667\_f1\_communication\_from\_commission\_to\_inst\_en\_v3 \_p1\_954389.pdf

http://data.consilium.europa.eu/doc/document/ST-15573-2017-INIT/en/pdf

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Q35 In your view, how best can Aid for Trade make a contribution to women's economic empowerment? (You may tick more than 1 box. Please limit your answer to the top five factors)

Improving access to , information

Improving the provision of , services

Improving the flow of goods at borders (Trade Facilitation)

Providing access to finance

## Supporting the elaboration of gender-sensitive policies

,

Additional information or examples of projects and programmes on how Aid for Trade can make a contribution to women's economic empowerment.:

Examples of EU Aid for Trade projects can be found in the EU Aid for Trade Report 2018:

https://ec.europa.eu/europeaid/eu-aid-trade-progress-report-2018\_en The EU designed a Women Economic Empowerment blending project in support of the Women's Financial Inclusion Fund of Women's World Banking, with a contribution of EUR 10 million.

Its aim is to boost financial and non-financial capacities in support to women financial inclusion, economic empowerment, employment and capitalise on opportunities of digitalisation.

In Afghanistan, the National Export Strategy (NES) developed under the EUfunded "Advancing Afghan Trade" (AAT) project, identifies sectors with high potential for exports and job creation, particularly for women and young people.

For each of these sectors – carpets, dried fruits and nuts, fresh fruits and vegetables, saffron, marble and granite, precious stones and jewellery – it proposes measures to overcome weaknesses currently weighing on international competitiveness.

For instance, the strategy calls for organizing or strengthening farmers' associations to overcome fragmentation and foster economies of scale. In Bolivia, the project implemented by European Partnership for Democracy will address constraints to socioeconomic rights of female workers along two value chains: chestnuts harvest and processing and mining.

In Congo, all objectives in the EU-funded "Projet de Renfoncement des Capacités Commerciales et Entrepreneuriales II" (PRCCE II) are disaggregated by gender in view of the importance of women economic empowerment in private sector development and in particular their role in the agricultural sector and the informal economy.

The Regional Integration Support Mechanism (RISM) Programme in Eswatini is mainly focused on empowering women entrepreneurs and minimising cross-border barriers that women face when they trade with South African and Mozambican counterparts. The new trade-related technical assistance programme of Arise Plus for Laos, incorporated the gender indicators of the

National Socioeconomic Development Plan 2016-2020 such as the number of women business owners, gender equality in employment, gender equality in training and education. Activities of the programme will also build on the work of the Lao Women's Union (LWU) in promoting laws on developing and protecting women such as the Convention on Eliminating All Forms of Discrimination Against Women (CEDAW). In Nepal, gender disaggregated data are available for EU trade support projects. In South Africa, a new Gender Equality Women Empowerment (GEWE) programme has been developed.

Q36 What forms of aid-for-trade financing, in your view, best support women's economic empowerment?(You may tick more than 1 box and/or leave all boxes unticked if you do not receive support)

Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards).

Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development.)

Building productive capacity

Additional information on the aid-for-trade financing that, in your view, best supports women's economic empowerment.:

Women economic empowerment can be addressed through all forms of Aid for Trade financing, from gender-sensitive trade policy formulation, to empowering women in productive sectors.

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Q37 What factors contribute to the success of Aid for Trade in promoting women's economic empowerment? (You may tick more than 1 box. Please limit your answer to the top five factors)

Capacity to draft funding applications

Country ownership,

Donor interest in specific projects/programmes

Leveraging of foreign direct investment

Mobilization of domestic private investment

Institutional capacity to implement projects

Other (please specify):

Additional information on the factors that contribute to the

success of Aid for Trade in promoting women's economic empowerment.:

Other: access to finance

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Q38 In your view, how best can Aid for Trade make a contribution to the economic empowerment of MSMEs. (You may tick more than 1 box. Please limit your answer to the top five factors)

Improving the flow of goods at borders (Trade Facilitation)
,
Providing access to ,
finance
Improving access to ,

information

Improving digital connectivity

Improving the provision of services

Additional information or examples of projects and programmes on how Aid for Trade can make a contribution to the economic empowerment of MSMEs.:

Examples of EU Aid for Trade projects can be found in the EU Aid for Trade Report 2018:

https://ec.europa.eu/europeaid/eu-aid-trade-progress-report-2018\_en In particular: In Zimbabwe, with a budget of EUR 10 million, a programme aims to support the reform of the policy and regulatory environment, as well as to strengthen the government's capacities to manage and implement trade agreements.

Another objective is to support the competitiveness of micro, small and medium enterprises (MSMEs) as well as to attend to informal sector allowing its actors to earn meaningful livelihoods. In Latin America at continental level, EU AL-INVEST 5.0 programme started operations in the first semester of 2016.

It is designed to contribute to productivity growth and the sustainable internationalisation process of SMEs in Latin America through organisations that represent the private sector and promote its development, such as Chambers of Commerce, Trade Associations and Export Promotion Agencies, etc.

Within the framework of the programme, Latin American SMEs will continue to benefit from training and technical assistance to improve their productivity and competitiveness, participate in business meetings in relevant trade fairs, and have access to quality information as well as to advice on market opportunities, potential clients or business partners and EU legislation and policies. More than 25 000 companies are expected to directly benefit from AL-INVEST 5.0.

In 2018, the EU contracted an investment/blending project to support MSME finance in Samoa, Tonga, Vanuatu and Solomon Islands (EUR 12 million) through the Asian Development Bank; and to promote renewable energy in various Pacific SIDS (EUR 8 million) through the FMO (Dutch Development Bank) from the Netherlands. In Central America, EU AfT programmes are coordinated with the DINAMICA Initiative, a tripartite initiative executed by the Central American Bank for Economic Integration (CABEI) with support from the KfW Group and the European Union, through its Latin American Investment Facility (LAIF).

The objective is to strengthen the business ecosystem for MSMEs, especially for new, young and/or innovative MSMEs, in addition to reinforcing the financial sector in order to promote adequate access to financial services for these MSMEs at a regional level. At regional level in the Steering committee of the EU-funded programme ADESEP, there is a member of DINAMICA, and vice versa.

The DCFTA Facility for SMEs. Georgia, Moldova and Ukraine have signed with the EU ambitious Association Agreements including the establishment of Deep and Comprehensive Free Trade areas (DCFTA). Jointly with EBRD, EIB and KfW Group, the EU has put in place the DCFTA Facility for SMEs in order to increase SMEs competitiveness, ease their access to finance, help them to seize new trade opportunities and comply with new food safety, technical and quality standards, as well as with environmental protection measures implied by the DCFTA implementation.

The DCFTA Facility consists of a set of programmes to be implemented principally by EBRD and EIB. SMEs will benefit from the EU support through four types of instruments: 1) risk sharing mechanisms, 2) currency hedging, 3) investment incentives and 4) technical assistance. The grant element from the EU will be blended with EFIs loan to maximise the impact of the DCFTA Facility.

The DCFTA Facility is an integral part of the EU4Business Initiative grouping together all the EU support for SMEs in the region of the Eastern Partnership. The DCFTA Facility will receive approximately EUR 200 million of grants from the EU budget to unlock at least EUR 2 billion of new investments by SMEs in the three countries, to be financed largely by new loans supported

countries, to be illianced largely by new loans supported by the Facility.

Q39 What forms of aid-for-trade financing, in your view, best support the economic empowerment of MSMEs? (You may tick more than 1 box and/or leave all boxes unticked if you do not receive support)

# Building productive capacity

Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards).

Trade-related infrastructure (Including physical infrastructure)

Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development.)

Additional information on the aid-for-trade financing that, in your view, best supports the economic empowerment of MSMEs.:

The EU provides Aid for Trade through bilateral, regional and thematic interventions in more than a hundred partner countries. The constraints identified to economic empowerment of MSMEs therefore vary widely across partner countries. Various forms of Aid for Trade financing might need to be mobilised accordingly.

**Q40** What factors contribute to the success of Aid for Trade in promoting the economic empowerment of MSMEs? (You may tick more than 1 box. Please limit your answer to the top five factors)

Coordination among donors

Country ownership,

Leveraging of foreign direct , investment

Mobilization of domestic private investment

Other (please specify):

Additional information on factors that contribute to the success of Aid for Trade in promoting the economic empowerment of MSMEs.:

Other: capacity to link MSMEs to domestic or international value-chains.

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**Q41** In your view, how best can Aid for Trade contribute to Youth economic empowerment?(You may tick more than 1 box. Please limit your answer to the top five factors)

Providing access to , finance

Upgrading business skills,

Improving access to , information

Improving digital , connectivity

Improving the provision of services

Additional information on how Aid for Trade can contribute to Youth economic empowerment:

Some projects examples are featured here:

https://ec.europa.eu/newsroom/devco/newsletter-specific-archive-issue.cfm? newsletter\_service\_id=620&lang=default Co-funded by the European Union, the Youth Inclusion project was implemented by the Development Centre of the Organisation for Economic Co-operation and Development to analyse policies for youth in 9 developing and emerging economies.

The project took a multisectoral approach to help countries better respond to the aspirations of young people, and strengthen their involvement in national development processes. It shed light on what determines youth vulnerabilities, as well as successful transitions towards evidence-based policies that promote youth inclusion and youth well-being.

The project focused on four areas of youth well-being: employment, education, health, and civic participation. The project produced 3 global reports, 9 country studies and 1 methodological toolkit to guide policies for youth well-being, available here:

http://www.oecd.org/dev/inclusivesocietiesanddevelopment /youth-inclusion-project.htm

The EUR 11 million Gambia Youth Empowerment Scheme was adopted in the framework of the EU Trust Fund for Africa, and launched in February 2017. This project aims to contribute to the economic development of The Gambia and to improve employability. The initiative takes a market-led approach to create employment opportunities and will simultaneously upskill the workforce according to the demand of the market place.

This programme directly supports the development of the local economy by (i) enhancing employability and self-employment opportunities for youth, with a focus on vocational training and the creation of micro and small-sized enterprises, and (ii) creating and improving employment opportunities in selected sectors through value addition and internationalisation.

The programme offers possibilities for those young people that might be interested to move into the commercial agriculture, service business or tourism sectors

**Q42** What forms of aid-for-trade financing, in your view, best support Youth economic empowerment?(You may tick more than 1 box and/or leave all boxes unticked if you do not receive support)

Building productive capacity

Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards).

Trade-related infrastructure (Including physical infrastructure)

Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development.)

Additional information on the aid-for-trade financing that, in your view, best supports Youth economic empowerment.: The EU provides Aid for Trade through bilateral, regional and thematic interventions in more than a hundred partner countries. The constraints identified to youth economic empowerment therefore vary widely across partner countries. Various forms of Aid for Trade financing might need to be mobilised accordingly.

**Q43** What factors contribute to the success of Aid for Trade in promoting Youth economic empowerment? (You may tick more than 1 box. Please limit your answer to the top five factors)

Country ownership,

Good digital and ICT connectivity

Leveraging of foreign direct investment

Mobilization of domestic private investment

Other (please specify):

Additional information on the factors that contribute to the success of Aid for Trade in promoting Youth economic empowerment.:

Other: access to finance

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**Q44** In your view, can Aid for Trade make a contribution to the achievement of the 2030 Sustainable Development Agenda?

#### Yes,

Please provide a weblink to the relevant national strategy or policy document in which SDGs are referred to.:
The new European Consensus on Development https://ec.europa.eu/europeaid/sites/devco/files/european-consensus-on-development-final-20170626 en.pdf

**Q45** If yes, please specify which Sustainable Development Goal or Goals (SDGs) Aid for Trade can help to achieve.(You may tick more than 1 box)Sustainable Development Goals:

- 1. No poverty
- 5. Gender equality
- 7. Affordable and clean energy
- 8. Decent work and economic growth
- 9. Industry, innovation and infrastructure
- 10. Reduce inequalities
- 12. Responsible consumption and production
- 17. Partnership for the goals

Additional information on the Sustainable Development Goal(s) Aid for Trade can help to achieve.:

Trade is a means of implementation of the SDGs and can, as such, potentially help achieve all SDGs. The SDGs highlighted above indicate those where trade, and therefore Aid for Trade, may have the strongest impact.

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**Q46** Which partner country(ies) or custom territory(ies) are the main recipients of the aid-for-trade financing you provide for economic empowerment?(You may tick more than 1 box)

Afghanistan,

Albania,

Algeria,

Angola,

Argentina,

Armenia,

Bangladesh,

Belarus,

Belize,

Benin,

**Bolivia**, Plurinational

State

Bosnia and

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Bosnia and

Herzegoniva

Botswana,

Brazil,

Burkina Faso,

Burundi,

Cabo

Verde

Cambodia,

Cameroon,

**Central African** 

Republic

Chad,

Chile,

China,

Colombia,

Congo,

Cook

Islands

Costa

Rica

Côte d'Ivoire,

Cuba,

**Democratic Republic of the** 

Congo

Djibouti,

Dominican Republic,

Ecuador,

Egypt,

El Salvador,

Eritrea,

Ethiopia,

Eswatini,

Fiji,

Gabon,

The Gambia,

Georgia,

Ghana,

Guatemala,

Guinea,

Guinea-Bissau,

Haiti,

India, Indonesia, Iran, Iraq, Jordan, Kazakhstan, Kenya, Kyrgyz Republic, Lao People's Democratic Republic Lebanon, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Mali, Marshall Islands Mauritania, Mauritius, Mexico, Moldova, Mongolia, Montenegro, Montserrat, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nauru, Nicaragua, Niger, Nigeria, Niue, Pakistan, Panama, Papua New Guinea,

Honduras,

Paraguay, Peru, Philippines, Rwanda, Saint Helena Senegal, Sao Tome and **Principe** Seychelles, Sierra Leone Solomon Islands Somalia, South Africa, South Sudan, Sri Lanka, Suriname, Syrian Arab Republic Tajikistan, Tanzania, Thailand, Timor-Leste, The former Yugoslav Republic of Macedonia Togo, Tonga, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, Uruguay, Uzbekistan, Vanuatu, Venezuela, Bolivarian Republic

of

Viet Nam,

Wallis and Futuna

West Bank and Gaza

Strip

Yemen,

Zambia, Zimbabwe,

Additional information on the country(ies) or custom territory(ies) that are the main recipients of the aid-for-trade financing you provide for economic empowerment.:

Economic empowerment is a horizontal dimension of every EU Aid for Trade project and therefore cannot be dissociated. Hence all partner countries benefiting from EU Aid for Trade are concerned.

**Q47** Through which channels do you provide aid-fortrade financing for economic empowerment?(You may tick more than 1 box) Bilateral programmes,

Multilateral institutions,

Regional programmes

**Q48** With which South-South partner(s) do you partner with to provide aid-for-trade financing for economic empowerment?(You may tick more than 1 box or leave all boxes unticked if you do not partner with any))

Chile\*,

Indonesia,

Thailand,

Other (please specify)

Malaysia,

Argentina,

Brazil,

South Africa,

Singapore,

Additional information on the South-South partner(s) your partner with to provide coherent aid-for-trade financing for economic empowerment.:

Includes partners with ongoing initiatives and others with which initiatives are under consideration.

**Q49** Looking ahead, in which category(ies) of aid-for-trade financing do you anticipate that you will continue to provide aid-for-trade support for economic empowerment. (You may tick more than 1 box and/or leave boxes unticked if you do not receive support)

Building productive capacity

Trade policy and regulations (Including training of trade officials, analysis of proposals and positions and their impact, support for national stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to facilitate implementation of trade agreements and to adapt to and comply with rules and standards).

Trade-related infrastructure (Including physical infrastructure)

Trade development (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development.)

Additional information on which category(ies) of Aid for Trade you think further aid-for-trade support for economic empowerment will be required.:

Economic empowerment is mainstreamed accross Aid for Trade sectors.

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**Q50** Is there any Aid for Trade project or programme for economic empowerment you would like to showcase as particularly important or as an example of best practice?(Please provide any relevant additional information and include weblinks as relevant)

Please see anwsers to questions 27, 35, 38 and 41

**Q51** Please provide any additional information.(Please reference in the form or weblinks, document symbols, including to evaluations of projects or programmes)

Respondent skipped this question

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Q52 CONSULTATION (Other ministries/agencies consulted in preparing this questionnaire reply):

European Commission DG DEVCO and DG TRADE