

Trade: Doha Development Agenda

Commitment

“...we direct our ministers and call on all WTO members to finalize the frameworks by July to put the WTO negotiations back on track so that we expeditiously complete the Doha Development Agenda.”

G8 Leaders Statement on Trade

Background

At the Doha Ministerial Conference held in November 2001, participants implemented the Doha Declaration, which reconfirms the objective of the WTO Agreement to establish a fair and market-oriented trading system by preventing restrictions and distortions in world agricultural markets.¹⁹⁷ The Fifth WTO Ministerial Conference was held in September 2003 in Cancun, Mexico. Although, the Conference ended in deadlock, the leaders of the G8 countries understand the importance of assisting less developed countries in their trade capabilities in order to promote economic growth and alleviate poverty. To this end, they have made the commitment to put the talks back on track and resume negotiations to meet extended deadlines.

Assessment

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			1
France			1
Germany			1
Italy			1
Japan			1
Russian Federation		n/a	
United Kingdom			1
United States			1
European Union			1
Overall: 1.00			

Individual Country Compliance Breakdown

1. Canada: +1

Canada has registered full compliance with regard to its commitment to putting the WTO negotiations back on track. On July 31, 2004, Canada officially welcomed a framework for

¹⁹⁷ World Trade Organization, Available at www.wto.org/english/tratop_e/dda_e/dohaexplained_e.htm#agriculture

negotiations that will allow the WTO's Doha Development Agenda to go forward. International Trade Minister Jim Peterson affirmed the importance of the Doha Development Agenda by saying that "more than 40 percent of everything Canadians produce is exported, and trade supports one in every four Canadian jobs- so making the Doha Round work is absolutely crucial for Canada."¹⁹⁸

2. France: +1

France has complied with helping put the Doha round back on track by donating generously and working closely with the United Nations Development Programme (UNDP) and international financial institutions. During the August 2004 WTO summit in Geneva, all 147 members agreed to a deal which cut subsidies for farmers in rich countries in return for developing countries opening their markets for manufactured goods, of which France was initially critical but eventually accepted.¹⁹⁹ The agreement has, however, received criticism from NGO's such as Greenpeace and Oxfam, claiming that the "rich countries developed a deeply unbalanced text as a take-it-or-leave-it option."²⁰⁰ The IMF, strongly encouraged France to associate itself with the efforts to resume the Doha round and to "support the offer to phase out all farm export subsidies and further limit negotiations on Singapore issues."²⁰¹ France answered to this request by accepting the Geneva deal in August.

3. Germany: +1

In August of 2004 Germany officially welcomed the July 31 accord by the WTO to salvage the Doha Development Agenda trade talks, as a win-win deal for less developed countries and the world economy.²⁰² The German Minister for Economic Cooperation and Development Heidemarie Wieczorek-Zeul welcomed the deal as a "good signal for developing countries." The German Minister of Economics Wolfgang Clement echoed this assessment, praising the "substantial progress" that had been made as "a positive signal for the world economy" and described the new accord as "a finely balanced blend of requirements and concessions" that afforded an "imperfect" but essentially fair compromise for both developed and developing nations.²⁰³

4. Italy: +1

Italy is in full compliance with its commitment to put the WTO negotiations back on track. As part of the European Union, they are tied to the commitments outlined by the EU. For the last two years, Italy has donated a significant amount of money to the Doha Development Agenda

¹⁹⁸ Department of Foreign Affairs and International Trade, "Doha Negotiations Back on Track," News Release, July 31st, 2004 webapps.dfait-maeci.gc.ca/minpub/Publication.asp?publication_id=381395&language=E

¹⁹⁹ BBC, "World Trade Deal Gets Thumbs Up" 1 August 2004, news.bbc.co.uk/1/hi/business/3525602.stm

²⁰⁰ Global Policy Forum "International Groups Denounce World Trade Pact" 2 August 2004 www.globalpolicy.org/soecon/bwi-wto/wto/2004/0802tradepact.htm

²⁰¹ IMF, "International Monetary Fund France: 2004 Article IV Consultation Concluding Statement of the Mission" www.imf.org/external/np/ms/2004/070604.htm 6 July, 2004

²⁰² Deutsche Welle. "Germany welcomes WTO Deal" 2 August 2004 www.dw-world.de/dw/article/0,1564,1284413,00.html

²⁰³ Ibid

Global Trust Fund, the last being just before the Cancun Ministerial Conference where it reaffirmed its commitment to making the conference a success.²⁰⁴ Although the Conference itself was unsuccessful, Italy's enthusiasm towards successful talks continues through its inclusion in the European Union and its resilience to see the Doha Development Agenda get back on track.

5. Japan: +1

Japan has registered full compliance with respect to its commitment to putting the WTO negotiations back on track. Japan welcomed the adoption of the decision, which will serve as a basis for final agreement of the Doha Development Agenda negotiations, by the WTO General Council on August 1, 2004 in Geneva. Japan made a commitment to conclude the Doha Development Agenda talks successfully. Yoriko Kawaguchi, Minister for Foreign Affairs of Japan, said "Japan intends to make constructive contributions to future negotiations while securing its own interests."²⁰⁵

6. Russia: N/A

Russia is not currently a member of the World Trade Organization (WTO)²⁰⁶ and thus the Doha commitments do not directly call on Russia. However, in order for Russia to gain entrance into the WTO it will need to continue its efforts in helping develop world trade internationally. Russia has received support in its bid to join the WTO but this support has been called primarily 'moral' support, as many nations remain unconvinced²⁰⁷. Russia's efforts include joining the war against terrorism²⁰⁸ and signing onto the Kyoto Accord.

7. United Kingdom: +1

Along with the support of the United Kingdom, all 147 WTO members reached an accord on July 31 2004 that officially put the Doha Development Agenda negotiations back on track. The UK had been pushing to get the Doha round of trade negotiations back on track since similar talks ended without an agreement in Cancun Mexico in 2003.²⁰⁹

²⁰⁴ WTO NEWS: 2003 PRESS RELEASES www.wto.org/english/news_e/pres03_e/pr349_e.htm

²⁰⁵ Ministry of Foreign Affairs of Japan, "Statement by Ms. Yoriko Kawaguchi, Minister for Foreign Affairs, on the adoption of the General Council Decision on the WTO Doha Development Agenda," August 1st, 2004 www.mofa.go.jp/announce/announce/2004/8/0801.html

²⁰⁶ The World Trade Organization. What is the WTO. www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm

²⁰⁷ Pravda.ru, APEC backs Russia's bid to join WTO. November 20, 2004. english.pravda.ru/main/18/88/350/14611_apec.html

²⁰⁸ Pravada.ru, Leaders of Russia, France and Germany to join efforts in fighting terrorism. August 31, 2004. english.pravda.ru/main/18/88/354/13974_Putin.html

²⁰⁹ The Department for International Development. "Framework agreed for future Doha talks" August 2004 www.dfid.gov.uk/news/files/trade_news/worldtradeorgnewsfull.asp

8. United States: +1

The United States has complied with its commitment in regards to the Doha Development Agenda, particularly in the opening of markets globally, bilaterally and regionally²¹⁰. While the US was unable to meet its commitments prior to mid-late 2004, this was mainly due to the Presidential election in November 2004, which had the potential to change, and on January 7, 2004 in fact did change, the trade representative. Nonetheless, the US Department of Trade has undergone concentrated efforts to get Doha commitments back on track and has been working to renegotiate deadlines for the completion of the Doha Development Agenda. Most recently, now former US Trade Representative, Robert Zoellick, traveled to West Africa in order to discuss further trade liberalization in the region²¹¹. In addition, the Millennium Challenge Account, which was set up in 2004, is a program that centres on the promotion of more effective use of foreign aid to developing countries. More specifically, the MCA provides funds to those countries seeking pro-growth policies and economic development assistance to countries governing justly, investing in its citizens and supporting economic freedom²¹².

9. European Union: +1

The European Union (EU) has taken considerable measures towards putting the World Trade Organization's (WTO) negotiations back on track. On July 31, EU leaders met with the WTO in Geneva in an effort to set parameters for development in five key areas: agriculture, industrial products, development issues, trade facilitation, and services.²¹³ The EU "broadly accepted" deals made in Geneva, even though France was critical on moves to cut subsidies for European farmers.²¹⁴ In November, Peter Mandelson took over Pascal Lamy's job as EU trade commissioner, already demonstrating that the Doha Development Agency (DDA) shall be a top priority during his mandate. At the African Caribbean Pacific (ACP)-EU ministerial on December 1 2004, Mandelson stated that the "Doha mandate has to be implemented in a way that takes account of the distinctive development profile of each individual developing

²¹⁰Office of the United States Trade Representative. USTR Zoellick to Attend Key Meetings in Geneva July 27 — 28 To Advance Doha Negotiations. July 26, 2004.
www.ustr.gov/Document_Library/Press_Releases/2004/July/USTR_Zoellick_to_Attend_Key_Meetings_in_Geneva_July_27_28_To_Advance_Doha_Negotiations.html

²¹¹Office of the United States Trade Representative. Ambassador Zoellick to Travel to sub-Saharan Africa to Advance Doha Agenda. December 6, 2004.
www.ustr.gov/Document_Library/Press_Releases/2004/December/Ambassador_Zoellick_to_Travel_to_sub-Saharan_Africa_to_Advance_Doha_Agenda_Discuss_Cotton.html

²¹²Office of the United States Trade Representative. Official Transcript Of The Joint Press Availability of USTR Robert B. Zoellick and Minister Of State Bruno Amoussou, Minister of Commerce and Industry Fatiou Akplogan, and Minister of Agriculture Lazare Sehoueto of Benin: Ambassador Wayne Neill's Residence Cotonou, Benin. December 9, 2004.
www.ustr.gov/Document_Library/Transcripts/2004/December/Official_Transcript_Of_The_Joint_Press_Availability_of_USTR_Robert_B._Zoellick_Minister_Of_State_Bruno_Amoussou_Minister_of.html

²¹³Europa, "WTO Doha Development Agenda : WTO midpoint paves the way for future conclusion of trade round — a stronger multilateral trading system" 31 July 2004
europa.eu.int/comm/trade/issues/newround/doha_da/pr310704_en.htm

²¹⁴BBC, "World Trade Talks Reach Agreement" 1 August 2004, news.bbc.co.uk/1/hi/business/3937745.stm

country”²¹⁵, outlining that success in progressive trade development at the WTO ministerial in Hong Kong this year is heavily dependent on active participation by the G90.²¹⁶

*Compiled by Johannes Best, Johanna Kytola, Lida Preyma,
Yukari Takahashi, Vince van der Heijden*

²¹⁵Europa “The ACP-EU relationship in the global economy,” Speech by EU Trade Commissioner Peter Mandelson, ACP-EU Ministerial, Brussels” , 1 December 2004,
europa.eu.int/comm/commission_barroso/mandelson/speeches_articles/temp_icentre.cfm?temp=sppm006_en

²¹⁶Ibid.

Trade: Technical Assistance

Commitment

“We call on developing countries to further increase their efforts in this regard, and pledge to provide strong support in the form of technical assistance to build their trading.”

G8 Leaders Statement on Trade

Background

Within the World Trade Organization framework, the member countries agreed that less developed countries (LDCs) need assistance in order to improve their trading capabilities in order to capitalize on economic growth and alleviate poverty. The countries recognize that to not get left behind in the global trading system, LDCs need to be aided and mentored in bringing their trading systems up to par with the rest of the global trading environment. Developed countries already have the capabilities and expertise necessary to trade on an advanced scale and can share this information with the LDCs in order to expedite trade liberalization. Technical assistance includes, but is not limited to, the transfer of knowledge that will allow developing countries to create more environmentally friendly means of production, the creation of infrastructure and financial assistance to support developing industries.

Assessment

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			1
France		0	
Germany			1
Italy		0	
Japan			1
Russia	-1		
United Kingdom		0	
United States		0	
European Union		0	
Overall: 0.22			

Individual Country Compliance Breakdown

1. Canada: +1

Canada has achieved full compliance with respect to its commitment in providing technical assistance, which will be used to promote private sector development and trade in developing countries. Its efforts are mainly focused on supporting microcredit and microfinance initiatives. Aileen Carroll, Minister of International Cooperation announced that Canada is contributing \$17

million to the Tanzania Financial Sector Deepening Programme (FSDP) Trust Fund.²¹⁷ Minister Carroll said “improving access to cost-effective, efficient and reliable financial services is an important step toward building a sustainable private sector and reducing poverty overall.”²¹⁸ Funding for these initiatives was provided for in the March 2004 federal budget and is therefore built into the existing fiscal framework.²¹⁹

Canada, through the Canadian International Development Agency (CIDA), is contributing \$5.7 million to promote economic development in West Africa. According to Minister Carroll, “the initiatives will make a positive contribution to sustainable development in the region, including economic governance, private sector development and poverty reduction.”²²⁰ A \$3.1-million contribution over three years will be used to support World Bank initiatives that assist the West African Economic and Monetary Union’s efforts to reform the market in West Africa.²²¹ A \$2.6-million allocation to support the transformation and modernization of six savings and credit networks in West Africa.²²² Funding for these initiatives was provided for in the March 2004 federal budget and is therefore built into the existing fiscal framework.²²³

Canada will also contribute over \$4 million to support microcredit and microfinance initiatives in developing countries.²²⁴ This funding was provided for in the March 2004 federal budget and is therefore built into the existing fiscal framework.²²⁵ These initiatives show that Canada recognizes that unleashing entrepreneurship in the private sector is a catalyst for development.

2. France: 0

Overall, France has taken steps towards achieving compliance with its pledge to provide trade assistance to developing countries, but has yet to illustrate explicit support for programs in progressive technical assistance. France is, and always has been, one of the most generous donors of the G8, with plans to raise the official development assistance (ODA) to 0.5% of gross national income by 2007.²²⁶ Much of this aid, however, has gone towards debt relief rather than support in the form of technical assistance, thus not generating fresh cash flow with which to fund progressive development programs.²²⁷ President Chirac admitted to this problem in his

²¹⁷ Canadian International Development Agency, “Canada Helps Reduce Poverty in Tanzania and Strengthens Microfinance Sector,” News release, September 21, 2004 www.acdi-cida.gc.ca/cida_ind.nsf/vPrintNewsReleaseEn/5C184CA9FAEBB03785256F16004D66A4

²¹⁸ Ibid

²¹⁹ Ibid

²²⁰ Canadian International Development Agency, “Canada Supports Economic Growth in West Africa,” News release, November 26th, 2004 www.acdi-cida.gc.ca/cida_ind.nsf/vPrintNewsReleaseEn/669A4F2364AEDD1385256F58007A10CE

²²¹ Ibid

²²² Ibid

²²³ Ibid

²²⁴ Canadian International Development Agency, “Canada Contributes to Poverty Reduction through Microcredit,” News release, December 10th, 2004 www.acdi-cida.gc.ca/cida_ind.nsf/vPrintNewsReleaseEn/04769653B3F86E9E85256F660056A423

²²⁵ Ibid

²²⁶ OECD “France. DAC Peer Review: Main Findings and Recommendations” January 4, 2005 www.oecd.org/document/11/0,2340,en_2649_33721_32070731_1_1_1_1,00.html

²²⁷ Ibid. www.oecd.org/document/11/0,2340,en_2649_33721_32070731_1_1_1_1,00.html

speech at ‘The Meeting on Eradicating World Hunger and Poverty,’ suggesting not “to replace official development assistance or private action, but to round them out.”²²⁸

In November 2004, Xavier Darcos, Minister for Cooperation, Development and Francophonie, met with Hilary Benn, Secretary of State for International Development, at a UK/France summit to launch a plan of action for cooperation on development issues.²²⁹ This summit was held in preparation for the UK Presidency of the European Union in the latter half of 2005 and of the G8 in the same year, through which the UK intends to make development a top priority. France plans to make its development, trade, foreign and security policies mutually supportive with those of the UK, aiming to lay the foundations for “genuine and sustainable development.”²³⁰

3. Germany: +1

Germany has taken the necessary steps to comply with its pledge to assist in the trade capacity building of developing nations. In an October 2004 statement to the Development Committee of the World Bank, Germany’s Development Minister Wieczorek-Zeul reaffirmed the country’s commitment, calling for a “boost in both the effectiveness and volume of development cooperation,”²³¹ as well as an “enhancement of absorptive capacities” of developing nations and the “more sensible combination of financial transfers with advice and technical assistance.”²³² In December 2004 Germany donated €250,000 to the Doha Development Global Trust Fund, bringing its contributions to the WTO technical assistance fund to a total of CHF 4.1 million, the eighth biggest voluntary contribution to the fund since 2001.²³³ “The funds will help enhance developing countries’ understanding of WTO Agreements, to enable better compliance and integration in the multilateral trading system, as well as identify their infrastructural constraints and technical assistance needs.”²³⁴

The “Ministry for Economic Cooperation and Development (BMZ) is in charge of the development cooperation with developing countries and has planned, coordinated and implemented a wide range of programmes and projects through different national agencies and multilateral organizations.”²³⁵ Most German technical assistance is implemented through the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) focusing on institution and

²²⁸ Le Palais de l’Elysee “Speech by Mr Jacques Chirac President of the French Republic to the meeting for the presentation of the report by the World Commission on the social dimension of globalization” (New York) 20 September 2004, www.elysee.fr/cgi-bin/auracom/aurweb/search/file?aur_file=discours/2004/UK04920C.html

²²⁹ Foreign and Commonwealth Office “Action Plan on UK/France Cooperation on Development” pg. 1, November 18, 2004 www.fco.gov.uk/Files/kfile/EC100_ActionPlan,0.pdf

²³⁰ Ibid, pg. 3 www.fco.gov.uk/Files/kfile/EC100_ActionPlan,0.pdf

²³¹ The World Bank Development Committee “Statement by Heidemarie Wieczorek-Zeul Federal Minister for Economic Cooperation and Development Germany” 2 October 2004

siteresources.worldbank.org/DEVCOMMINT/Documentation/20264390/DCS2004-0050-Germany.pdf

²³² Ibid

²³³ World Trade Organization “Germany donates 250,000 euros to WTO technical assistance” 17 December 2004 www.wto.org/english/news_e/pres04_e/pr391_e.htm

²³⁴ Ibid

²³⁵ World Trade Organization. Guide to source of Technical Assistance: Germany. 12 June 2003 www.wto.org/english/tratop_e/devel_e/teccop_e/bil_ass_e/germany_e.htm

capacity building²³⁶, Internationale Weiterbildung und Entwicklung(InWEnt) focusing on training activities and the Kreditanstalt für Wiederaufbau(KfW Bank) focusing on infrastructure development.²³⁷ The BMZ has aimed to provide targeted support to anchor countries in Asia, Africa and South America and has registered projects with 11 of them, with funding totaling €350 million.²³⁸ The 2005 budget for the Ministry of Economic Cooperation and Development stands to be increased by an additional €76 million. Development cooperation will remain the biggest budget item for 2005, approximately €1 billion, and will include trade-related technical assistance with developing countries in Africa.²³⁹

4. Italy: 0

Italy, thus far, seems to want to use the European Union as its vehicle to comply with its technical assistance commitment. Although they directly gave money to the Doha Development Agenda Global Trust Fund in both 2002 and 2003 (for WTO technical assistance activities), they did not make a direct contribution in 2004. They have also not announced any programs for assistance outside of those outlined by the European Union (please see below).

5. Japan: +1

Japan has registered full compliance with regard to its commitment to provide technical assistance to developing countries. This has been achieved mainly through its initiatives to host the TICAD (Tokyo International Conference on African Development) Asia-Africa Trade and Investment Conference in the early November 2004. Japan also allocated 182 billion yen in the form of ODA to economic development assistance in 2004.²⁴⁰ At the conference, approximately 700 participants from 102 countries and organizations, including 48 African countries and 13 Asian countries, as well as more than 90 private enterprises and organizations, discussed the idea of “Poverty Reduction through Economic Growth,” one of the three pillars of Japan’s Policy on Cooperation with Africa, as well as “Asia-Africa Cooperation,” which is the pivotal characteristic of the TICAD process.²⁴¹

²³⁶ The German Federal Foreign Office. Technical Cooperation. February 2004 www.auswaertiges-amt.de/www/en/aussenpolitik/aussenwirtschaft/entwicklung/tz_html

²³⁷ World Trade Organization. Guide to source of Technical Assistance: Germany. 12 June 2003 www.wto.org/english/tratop_e/devel_e/teccop_e/bil_ass_e/germany_e.htm

²³⁸ The German Federal Ministry for Economic Cooperation and Development. "Anchor countries — partners in global development" December 2004. www.bmz.de/de/english_current_nl.html

²³⁹ The German Federal Ministry for Economic Cooperation and Development. “Haushalt 2005 — Entwicklungspolitik gestärkt” 12 November 2004 www.bmz.de/de/presse/pm/120_2004.html

²⁴⁰ Ministry of Foreign Affairs of Japan, “ODA Budget for Ministry of Foreign Affairs,” www.mofa.go.jp/policy/oda/budget/2005.html

²⁴¹ TICAD Asia-Africa Trade and Investment Conference, “Chair’s Summary,” www.mofa.go.jp/region/africa/ticad/aatic/summary.pdf

Shoichi Nakagawa, Minister of Economy, Trade and Industry of Japan, stressed the importance of “a shift of focus from the provision of assistance to promotion of trade and investment; in other words, the integration of Africa into the global economy.”²⁴²

6. Russia: –1

Russia has not complied with its commitment to provide technical assistance, and it appears that it has been looking economically internally more so than externally. Russia experienced a financial crisis in mid-2004 resulting in a need to focus inwards on a national level²⁴³. With an inflation rate of 11.5%, Russia’s finance minister has claimed that Russia is in no position to make investments in any area²⁴⁴. Furthermore, the 2005 budget does not indicate any significant outward financial assistance or funding for programs that would provide technical assistance to developing countries²⁴⁵. In light of Russia’s domestic battles, it is not likely that technical assistance to other countries, similar to that given by other G8 members, will materialize.

7. United Kingdom: 0

Since the 2004 Sea Island Summit, the United Kingdom has publicly reaffirmed its commitment to providing developing countries with trade related technical assistance. In July 2004, the Secretary of State for Trade and Industry, Patricia Hewitt, published a White Paper on Trade and Investment called, 'Making Globalization a Force for Good'.²⁴⁶ The document highlights, amongst other things, the importance of increasing trade related capacity of developing countries so they too may benefit from globalization.²⁴⁷ Hilary Benn, the UK Secretary of State for International Development echoed the importance of trade related capacity building in a speech to The Royal Institute of International Affairs, also known as Chatham House, declaring “2005 a critical year for moving the trade and development agenda forward.” According to the Secretary, the United Kingdom’s presidency over the G8 and EU will be used to put “trade high up on the international agenda.”²⁴⁸ “The UK is also currently the fourth largest donor to the International Development Association (IDA) — the arm of the World Bank that provides concessional loans to developing countries.”²⁴⁹ In part, these funds are used by the World Bank to further statistical capacity building of developing countries, by which “an adequate statistical base for the analysis

²⁴² Shoichi Nakagawa, Minister of Economy, Trade and Industry, “Closing Remarks by Representative of Japan, Mr. Shoichi Nakagawa, at the TICAD Asia-Africa Trade and Investment Conference,”

www.mofa.go.jp/region/africa/ticad/aatic/closing0411.pdf

²⁴³ Pravda.ru, How to make money in times of crisis . July 20, 2004.

english.pravda.ru/main/18/89/358/13457_investments.html

²⁴⁴ Pravda.ru, Capital outflow from Russia stops, wages reach German and French level. November 30, 2004.

english.pravda.ru/main/18/89/358/14658_investment.html

²⁴⁵ The Russian Journal, Putin approves budget for 2005. December 27, 2004. www.russiajournal.com/news/cnews-article.shtml?nd=46863

²⁴⁶ The Department of Trade and Industry “Trade and Investment White Paper” 6 July 2004

www.dti.gov.uk/ewt/whitepaper.htm

²⁴⁷ The Department of Trade and Industry “The Role of Trade and Investment in Global Poverty Reduction” July

2004 www.dti.gov.uk/ewt/part3.pdf

²⁴⁸ The Department for International Development “Living up to our promises: Helping developing countries to capture the gains from trade” 21 July 2004 www.dfid.gov.uk/news/files/sp-bennspeechtrade.asp

²⁴⁹ The Department for International Development “The World Bank and the International Monetary Fund” 16 April 2004 www.dfid.gov.uk/aboutdfid/dfidwork/wbandimf.asp

of economic, financial and social developments necessary to guide trade policy making²⁵⁰ is provided.

The UK continues to work in a partnership with several Regional Development Banks such as the Asian Development Bank and the Inter-American Development Bank²⁵¹ to improve trade capacities, as well as effect poverty reduction strategies. While they have continued to fund and coordinate trade related technical assistance programs that were established prior to the Sea Island Summit, the UK has yet to show tangible progress in new initiatives and technical assistance programs since the pledge was made at the Sea Island Summit in 2004.

8. United States: 0

While the Bush administration was preoccupied with the coming election, Iraq and terrorism for most of 2004, its commitment to provide technical assistance to developing countries has been initiated, but not yet completed. Significantly, the recent appointment of US Trade Representative Robert Zoellick to the number-two position at the State Department means that commitments will most likely be placed on hold until a new representative is appointed.²⁵²

The US is involved in various projects involving technical assistance in the form of either transfer of knowledge, creation of infrastructure or financial assistance for developing an industry. In 2004 President Bush introduced the Millennium Growth Account (MCA). “MCA as a unique supplementary foreign aid program to provide incentives for countries that govern justly, invest in their people and promote economic freedom.”²⁵³ The MCA will eventually add about US\$5 billion in targeted assistance to the existing U.S. foreign aid budget. The head of MCA, Paul Applegarth, has stated that funding will be provided to approved countries in early 2005.

The US Agency for International Development (USAID) is giving five awards to developing countries seeking to embark on long-term projects focused on the development and management of water and coastal resources.²⁵⁴ These projects further specify environmental and ecological friendly practices in achieving such development.²⁵⁵ Thus, this project will ultimately promote eco-friendly practices and build infrastructure.

The USAID is also initiating a project to train international agricultural scientists so that agricultural research responds to the needs of developing countries and that these countries may

²⁵⁰ The World Bank Group “Statistical Capacity Building” 2004
web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/SCBEXTERNAL/0,,contentMDK:20100819~menPK:229526~pagePK:229544~piPK:229605~theSitePK:239427,00.html

²⁵¹ The Department for International Development “Regional Development Banks” 16 April 2004
www.dfid.gov.uk/aboutdfid/dfidwork/developmentbanks.asp

²⁵² CNN, “Bush picks State Department No. 2”. January 7, 2005.

www.cnn.com/2005/ALLPOLITICS/01/07/bush.personnel.ap/index.html

²⁵³ United States Department of State, Information Services. U.S. Aid Agency to Help Seven Countries Qualify for Targeted Aid. October 5, 2004. usinfo.state.gov/gi/Archive/2004/Oct/05-980347.html

²⁵⁴ ²⁵⁴ United States Department of State, Information Services. USAID Invests \$2 Billion in Developing World Water, Coasts. November 3, 2004. usinfo.state.gov/gi/Archive/2004/Nov/03-516490.html

²⁵⁵ *Ibid.*

further develop their own agricultural industries.²⁵⁶ One focus of the five-year grants is to train and mentor foreign agricultural educators and researchers in the United States and further collaboration with the students after their return to their home countries.²⁵⁷

Finally, according to Agriculture Secretary Ann Veneman, a team of public and private sector experts will be sent to West Africa's cotton regions to assess the region's cotton industry and suggest improvements to production, processing and logistics systems so the region can become more efficient and competitive.²⁵⁸

9. European Union: 0

The European Union has announced its strong commitment towards providing support for technical assistance in developing countries, but has yet to further implement what has been promised. The EU has taken steps to increase trade with developing countries by lowering tariffs and red tape as well as providing trade related assistance (TRA), promising to commit over €2 billion over the next 4-5 years.²⁵⁹ The EU is the main contributor to the Doha Development Global Trust Fund and has set up four-week training programs in collaboration with the United Nations in efforts to deliver technical assistance and training.²⁶⁰ Senior members of the European Commission will also meet in London in January, together with the Organization for Economic Co-Operation and Development (OECD), United Nations Development Programme (UNDP), and the World Bank at a forum on development effectiveness.²⁶¹

On January 6 2005, Peter Mandelson met with the economic and development ministers of the Caribbean Community (CARICOM) and the Dominican Republic, making a number of new commitments concerning EU-ACP trade relations.²⁶² Mandelson plans to “establish a mechanism to monitor the roll out of our development and trade related assistance, to check continuously whether or not it is delivering the right results to build up local economic capacity.”²⁶³ He also pledged to support an action plan from the EU in favor of ACP sugar producers, which is to “increase the competitiveness of the industry in sugar producing countries or to support its diversification.”²⁶⁴ Mandelson wishes to see these measures put in place before the Hong Kong ministerial this year, which shows that trade development is a top priority.

²⁵⁶ ²⁵⁶ United States Department of State, Information Services. USAID to Fund Training of International Agricultural Scientists. October 14, 2004. usinfo.state.gov/gi/Archive/2004/Oct/15-613900.html

²⁵⁷ *Ibid.*

²⁵⁸ ²⁵⁸ United States Department of State, Information Services. U.S. Team to Help West Africa Improve Its Cotton Industry. September 20, 2004. usinfo.state.gov/gi/Archive/2004/Sep/20-825587.html

²⁵⁹ Europa WTO Doha Development Agenda : WTO midpoint paves the way for future conclusion of trade round — a stronger multilateral trading system” 31 July 2004
europa.eu.int/comm/trade/issues/newround/doha_da/pr310704_en.htm

²⁶⁰ Europa “Ongoing WTO trade talks: the Doha Development Agenda “ August 2004
europa.eu.int/comm/trade/issues/global/development/index_en.htm

²⁶¹ OECD “Senior Level Forum on Development Effectiveness in Fragile States, 13–14 January 2005” January 3 2005, www.oecd.org/document/30/0,2340,en_2649_33693550_33964254_1_1_1_1,00.html

²⁶² Europa “Commissioner Mandelson reinforced commitments to EU-ACP trade relations” Georgetown, Guyana, 6 January 2005, europa.eu.int/comm/trade/issues/bilateral/regions/acp/pr010605_en.htm

²⁶³ *Ibid.*

²⁶⁴ *Ibid.*

Compiled by Johannes Best, Johanna Kytola, Lida Preyma,
Yukari Takahashi, Vince van der Heijden