

Building trade policy capacity in developing countries and transition economies

A practical guide to planning technical
co-operation programmes

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List of acronyms and abbreviations

ACP	African-Caribbean-Pacific
DAC	Development Assistance Committee
DFID	Department for International Development
EU	European Union
EC	European Commission
IMF	International Monetary Fund
ITC	International Trade Centre
LDC	Least Developed Country
MTS	Multilateral Trading System
OECD	Organisation for Economic Co-operation and Development
PCM	Project Cycle Management
PRSP	Poverty Reduction Strategy Paper
SWAPs	Sector Wide Approaches
TPTC	Trade Policy Technical Co-operation Programme
UK	United Kingdom
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
WTO	World Trade Organisation

1. Introduction

1.1 This guide has been produced by DFID's International Trade Department to support the implementation of the UK Government's White Paper on International Development *Eliminating World Poverty: Making Globalisation Work for the Poor* (December 2000). Chapter 5 of the White Paper, entitled Capturing Gains from Trade, sets out the UK Government's policies on using trade to reduce poverty and help achieve the International Development Targets in 2015. In particular, the UK Government is committed to:

- Support an open and rules-based international trading system, and work to promote equitable trade rules and an effective voice for developing countries.
- Support continuing reduction in barriers to trade, both in developed and developing countries, and work to improve the capacity of developing countries to take advantage of new trade opportunities.

1.2 The aim of this guide is to provide practical advice for planning trade policy technical co-operation (TPTC) programmes in developing countries and transition economies. It is based on insights gained from TPTC programmes supported by DFID since the late 1990s in Africa, South Asia, Eastern Europe and the Caribbean. It will be of primary benefit to DFID technical co-operation Programme Managers, but potentially will also be of interest to other bilateral donor agencies and international organisations involved in trade policy related technical assistance and capacity building.

Trade policy, sustainable development and poverty reduction

1.3 As the White Paper says, trade has a vital role to play in helping developing countries and transition economies to boost their economic growth and generate the resources necessary for reducing poverty. A good policy environment is a key requirement for trade development, and it can also help ensure that the gains from trade are distributed equitably. But many poor countries need help to build the institutional capacity to address these policy challenges; to participate effectively in the World Trade Organisation (WTO) and the post-Uruguay Round Multilateral Trading System (MTS); and to exploit the opportunities created through globalisation and the continuing trend towards trade liberalisation and regional economic integration.

1.4 These principles are underlined in a recent OECD/DAC report on *Capacity Development for Trade in the New Global Context* (DCD/DAC(2001)5) which concludes, *inter alia*,:

"Trade is not an end in itself. Nor is it sufficient on its own to generate dynamic and sustainable development. But trade can enhance a country's access to a wider range of goods, services, technologies and knowledge. It stimulates the entrepreneurial activities of the private sector. It creates jobs. It fosters vital "learning" processes. It attracts private capital. It increases foreign exchange earnings. Above all, it generates the resources for sustainable development and the alleviation of poverty.

The multilateral trading system (MTS) and international markets have become highly complex. And far more than "stroke of a pen" efforts to cut tariffs, the new elements of the MTS require major

investments in institutional and human capacity—and a multidimensional strategy for integrating into the global economy. Developing countries need to frame a broad set of trade initiatives within an appropriate macroeconomic environment and a comprehensive approach to development. They also need to be active in exercising their rights and obligations in the multilateral trading system. In short: they need greater capacity for trade.”

1.5 DFID is actively supporting international initiatives to encourage the better integration of trade reform and capacity building into the national development strategies of developing countries and transition economies. For example, DFID is one of a group of bilateral and multilateral donor agencies, including the World Bank and UNDP, who have come together under the “Integrated Framework for Technical Assistance for Trade Development of Least Developed Countries (LDCs)”. The Integrated Framework initiative aims to provide technical assistance to LDCs seeking to integrate trade into their own national economic planning processes, such as that for the Poverty Reduction Strategy Paper (PRSP), and to enable improved co-ordination of trade capacity building programmes. An enhanced Integrated Framework approach is currently being piloted in a small number of countries.

1.6 Such initiatives are welcome because they bring the prospect of improved effectiveness and more efficient delivery of technical co-operation for trade development. For example, there could be opportunities for exploring the application of Sector Wide Approaches (SWAPs) to trade-related capacity building challenges. The OECD/DAC report on *Capacity Development for Trade in the New Global Context* summarises the future opportunities and challenges in the following way:

“Experience has demonstrated that to be effective in this area, development co-operation must take a holistic approach which links macroeconomic and structural reforms which foster strong private sector growth, with human and institutional capacity development in a targeted, coherent and comprehensive manner. Individual measures to create the right policy framework or to build productive capacities or enhance developing country participation in trade fairs are not in themselves sufficient if taken in isolation. Moreover, the government, the private sector, and civil society each have a role to play both in improving trade performance and strengthening participation in trade policymaking. Translating these principles into action has, however, proven to be much more difficult than anticipated.”

1.7 This Section has situated TPTC within the context of comprehensive approaches to sustainable development and poverty reduction, and pointed to the increasingly importance of trade reform and trade capacity building programmes in DFID’s partner countries. Sections 2, 3 and 4 below go on to set out practical steps and advice for planning a TPTC programme, within the framework of DFID’s Project Cycle Management (PCM) system.

2. Identifying a trade policy technical co-operation programme

Being responsive to partners’ needs

2.1 Responding to a request from a potential partner seems like an obvious point of departure for identifying a possible TPTC programme. Clarifying *exactly* what kind of technical assistance is required at the identification stage often reveals that counterparts have given considerable thought to the areas in which they require support and this information can be readily utilised in detailed programme design. Alternatively, in other cases this “unpacking” of a TPTC request can reveal that the potential partner agency may first

require assistance to analyse and articulate capacity needs, and to situate these within a broader, sector-wide context.

Setting the context and linking to broader national development objectives

2.2 Following a request for assistance, it is also vital to consider carefully the current overall approach to trade policy formulation and implementation in the potential partner country. This provides the context in which any assistance can be designed, but also shows how integrated trade policy is with other areas of government policy, in particular those aimed at the removal of supply-side constraints and broader macro-economic reforms. Gathering this kind of background information is best done by reviewing key documents¹ and by consulting with trade officials and other key stakeholders.

2.3 As suggested in Section 1 above, wherever possible, the identification of a TPTC programme should be informed by an agreed sector-wide plan for integrating trade reform and trade capacity building as part of the national development strategy process². At the current time, however, in many DFID partner countries there are still real constraints to such high levels of co-ordination. In practice, existing national development plans and trade sector strategies may offer little specifically relevant information for planning a TPTC programme and there may be insufficient time, resources or consensus to undertake such a formal exercise.

Identifying potential stakeholders

2.4 In many cases, it will be the trade officials in the partner country who have approached a donor agency for a potential TPTC programme. But to understand the full range of issues in the sector, it is helpful to identify a broad range of stakeholders to consult during the detailed design of the potential TPTC programme. Typically, these stakeholders are from:

- Other government Ministries or Agencies (Finance, Agriculture, Customs, Tariff Commission, Standards bodies, Export Promotion Agency, Board of Investment).
- The private sector (Chambers of Commerce and industry associations).
- Academia (universities, research institutes, policy think-tanks).
- Civil society (consumer associations, labour unions, environmental groups).

¹ Such as national development plans; PRSPs; export development strategies; private sector development strategies; trade policy statements; trade and balance of payment statistics; WTO Trade Policy Reviews; public sector expenditure budgets and departmental business plans; IMF/World Bank economic reports.

² For example, the trade integration chapters currently being prepared for inclusion within pilot country PRSPs under the Integrated Framework initiative for LDCs.

Answering the key basic questions

2.5 Some Programme Managers will themselves gather background information and undertake initial stakeholder consultations. Others may contract consultants to undertake the identification of the potential TPTC programme. In any case, the key basic questions to answer remain the same. Box 1 provides a sample checklist.

Agreeing the potential scope for a technical co-operation programme

2.6 The initial discussions with stakeholders will generate a range of potential ideas for technical assistance. The key at this stage is not necessarily to agree in detail areas of mutual interest, but rather to identify that there are areas of common interest that can be pursued. It is best to be clear about areas that cannot be supported from the earliest opportunity.

Preparing the Project Concept Note and draft Logical Framework

2.7 At the end of the identification stage, it should be possible to prepare the DFID Project Concept Note (PCN), including a draft Logical Framework. The PCN should set out the background to the proposed TPTC programme, identify the broad objectives and scope of work, and flag any significant design or implementation issues to be considered during appraisal.³ The PCN should then be circulated to the DFID team of Professional Advisers for comment before moving on to the design stage.

³ For detailed guidance on PCNs, see DFID Office Instructions. International Trade Department can also provide sample PCNs for TPTC programmes as reference material.

Box 1: Setting the context: a checklist of questions

- How important is trade and foreign investment to the country?
- What are they key products and markets?
- How have trading patterns evolved?
- How much government revenue comes from trade taxes?

- Is there a clear trade policy and trade development strategy?
- How has the policy evolved?
- What are the key trade policy issues at present?
- What are the main trade policy instruments?
- What defence measures, tariffs and subsidies are in place?
- What is the regulatory framework affecting trade and foreign investment?
- Is trade policy considered in parallel with other development policies?

- Who is in charge of trade policy?
- How are roles divided within government?
- What are the mechanisms for co-ordination between Ministries?
- What are the decision making processes?
- How are consultations undertaken on trade policy issues outside government?
- What policy research and analysis is undertaken?
- Is there enough national capacity to do trade policy? Where are the bottlenecks?
- Are resources sufficient? Have extra requirements been identified?
- What capacity is there outside government?
- What role have trade officials had in preparing national development strategies?

- How much awareness is there about WTO and the multilateral trading system?
- Are their difficulties implementing WTO Agreements?
- Have adequate preparations been made for new WTO negotiations?
- Is the country able to participate actively in the WTO?
- How active is the country in setting international product standards?
- Are regional and bilateral trade agreements delivering benefits?
- What are the opportunities and challenges for regional integration?
- Do regional organisations play an important role?
- What are the country's key objectives for future trade negotiations?

- Is trade development a high national priority?
- What are the main external barriers for export development?
- Are technical product standards a problem in export markets?
- What are the main domestic constraints facing traders?
- Have donors agreed an assistance strategy for trade development?
- Are donors currently providing TPTC or related programmes?

3. Key themes in planning a programme

Consulting stakeholders across government and beyond

3.1 The formulation and implementation of trade policy in developing countries and transition economies often takes place within a complex institutional framework, involving a variety of government Ministries and Agencies. Although Ministries of Trade usually sit at the apex of the trade policy process, it is very likely that Ministries of Finance, Foreign Affairs, Agriculture, Industry and Agencies such as the Customs Service, Standards Bodies, Export Promotion Council, Tariff Commission, and the Board of Investment are all involved to some extent in the actual determination and execution of trade policy. Accordingly it is vital to “map-out” the various institutions within government that influence and have a role/input in policy formulation and to ensure that all parties are involved in consultations and programme design.

3.2 Sufficient effort should also be made by project designers to discuss trade policy with stakeholders outside government, especially business organisations and civil society actors (eg academia, labour unions, consumers’ associations). This not only provides different perspectives on trade policy issues, but is also an excellent mechanism to: (i) understand the needs, concerns and challenges of wider stakeholders; (ii) listen to accounts of the impact of trade policy; and (iii) identify potential stakeholders for inclusion in project activities.

Following a multi-disciplinary approach to programme design and appraisal

3.3 The early involvement of a multi-disciplinary range of DFID professional advisers provides the opportunity for economic, social, institutional, and environmental perspectives to be incorporated into programme design. In practical terms, the following key issues are often the focus of consideration under the multi-disciplinary approach to planning a TPTC programme:

- The linkages between trade reforms and poverty reduction, and in particular how trade policies can be more pro-poor.
- The capacity of partner countries to consider environmental impacts of trade policy options and include environmental sustainability factors in policy formulation.
- The importance of building participatory approaches to trade policy making, including a wide range of stakeholders.
- The need to ensure that trade policy development is properly situated within the country’s macro-economic framework.

Ensuring participation and ownership

3.4 As with all technical co-operation initiatives, strong ownership of the programme by partners is key to success. In planning a TPTC programme and considering how maximum ownership and participation can be generated, the following practical initiatives are worth considering:

- Organise a national workshop with all key stakeholders at the start of the process.
- Invite partner agency officials to accompany project designers in key meetings.
- Hold follow-up meetings to keep principal stakeholders informed of progress.
- Share drafts of project documents with stakeholders and seek comments on them.

Building-in flexibility

3.5 The trade sector is characterised by uncertainties that can create difficulties for programme design. A number of these uncertainties are common to other sectors of technical co-operation, such as changes in the political landscape or macro-economic environment, unexpected changes in public expenditure, and high turnover of public sector staff. On top of these, however, technical co-operation in the trade sector has a number of its own uncertainties caused by inter alia:

- The progress of trade negotiations, which are often subject to quite dramatic changes in their timing and scope.
- Unexpected delays in the implementation of trade agreements.
- Contingent trade protection measures taken by one country against the exports of another country (eg for health and safety reasons, or as a defence against “unfair” competition).

3.6 Together, these factors can make it difficult and indeed inadvisable to plan TPTC programmes on the basis of a rigid timetable of pre-defined activities, since these may quickly fall out of step with the needs and priorities of partners. Better to build-in flexibility to programme design, allowing changes in expenditure profiles and timing of activities based on continuous assessment of how the trade policy context is evolving.

3.7 A practical way to secure flexibility is to agree fixed levels of resources and broad objectives for principal components within a TPTC programme (eg facilities for training, policy analysis, call-down of experts etc) and then agree on a quarterly or six-monthly basis with the partner agency the planning and draw down of these facilities as needs arise. This approach helps ensure the relevance of TPTC activities and promotes ownership and participation, since the partner agency plays a continuing role in defining and prioritising actual activities.

Box 2: Flexibility in practice

- At the design stage, agree the broad objectives and outputs of the programme; what types of facility will be available (eg training, research, equipment, consultancy); and what resources will be required.
- Following programme approval, during an “inception phase” a detailed 6 month workplan for implementation is developed by the Project Management Agency and agreed by DFID and its partner. Workplans are then rolled-forward on a 6 month basis.
- Specialist consultants are then identified for project activities by the Project Management Agency as required, rather than in advance.
- DFID, its partner and other principal stakeholders meet on a quarterly basis in a “Project Steering Committee” to review progress, tackle problems and agree modifications.

The requirement for confidentiality and neutrality

3.8 Trade policy and trade negotiations are “sensitive areas” in most countries. For many developing countries and transition economies, the UK (and the EU) is both a development partner and a trading partner. Therefore, TPTC programmes, particularly those including support for trade negotiations, should normally be provided on the basis that the specific content of policy research and expert advice is confidential to the partner agency and should not normally be reported to DFID.

Providing high quality expertise

3.9 TPTC programmes usually require provision of technical expertise to partner agencies in a broad range of areas. In trade policy alone, as well as traditional topics like export development and trade promotion strategies, tariff and import control regimes, technical co-operation may cover market access and trade regulation issues in agriculture, services, standards, intellectual property, foreign investment regimes, trade defence measures (eg anti-dumping), customs and dispute settlement. In addition, TPTC programmes may also require complementary technical expertise in non-trade policy specific areas like institutional and human resource development, communication and participation strategies, policy analysis and negotiating skills.

3.10 The range of technical expertise required for any particular TPTC programme will obviously depend upon the specific needs of the partner agency and the circumstances and situation of the individual country or region (eg whether the country is a WTO member or party to the EU-ACP Cotonou

Agreement). That said, a typical DFID-funded TPTC programme will probably require provision of a core technical capacity and expertise in the following areas:

- Trade policy reform and international trade negotiations.
- Economic policy and strategies for sustainable development and poverty reduction.
- The MTS and the WTO.
- EU-ACP Cotonou Agreement and/or other relevant regional trading arrangements.
- Institutional/human resource development.
- Policy analysis and participatory policy formulation processes.
- Working in developing countries/transition economies.

3.11 Every effort should be made to secure appropriately skilled and experienced consultants from the relevant country or region. In many cases such consultants do exist, but tend to be overlooked by consultancy firms based in developed countries. This problem can be addressed by requiring project contractors to include regional or national consultants in their proposals during the tendering process.

Contracting consultants to deliver technical assistance

3.12 DFID typically uses consultancy firms to deliver bilateral TPTC programmes in partner countries. As discussed above, such programmes usually require experts with a variety of skills and experience in a broad range of topics. In practice, such expertise can rarely be found in a single consultancy firm. Implementation of a typical TPTC programme will therefore often require a contracting strategy where a group of firms form consortia or where a single firm acts as “project management agency” and sub-contracts the required range of specialist inputs. For some TPTC programmes, participation by experts from international organisations like WTO, UNCTAD or ITC in specific components may also be an advantage: in such cases, separate arrangements (eg through a Memorandum of Understanding) are normally made directly between DFID and the relevant organisation.

3.13 Such implementation approaches can be highly effective from a technical perspective, but do require a considerable “project management effort” to ensure co-ordination of activities and inputs across the TPTC programme. This is of particular significance given the common requirement for flexibility in implementation. Accordingly, at the planning stage proper account should be taken of the level of “project management effort” that will be required in delivering the programme. Likewise, at the implementation stage, capacity for project management should be given sufficient emphasis in the contracting process.

Co-ordinating with other donors

3.14 As more donor organisations develop assistance programmes aimed at trade reform and trade capacity development, the requirement for co-ordination of donor efforts is becoming more important. As described in Section 2 above, identification of a TPTC programmes can be facilitated if a sector-wide programme has been agreed by donors and country partner agencies. Beyond this, it may also be

advantageous for TPTC programmes to be delivered collaboratively with other donor organisations (eg through co-financing or as a component of a larger trade sector development programme). This can improve overall effectiveness, avoid duplication and reduce transaction costs. In reality, a number of constraints can impinge on this goal. Other donors may not be active in the trade sector, or see this as such a high priority. Alternatively, donors may be willing to collaborate with DFID, but face practical difficulties arising from incompatible operating procedures and budget cycles.

3.15 At a minimum, TPTC programmes should include a strong commitment on the part of DFID, partner agencies and other key donor organisations to avoid duplication and to participate actively in co-ordination efforts. Other practical measures to be considered by Programme Managers could include:

- Consulting with other donors as part of the planning phase.
- Sharing TPTC programme documents with other donors.
- Supporting regular meetings between donors and partner agencies.
- Stipulating a requirement for donor co-ordination to TPTC programme contractors.
- Building capacity of partner agencies to manage and co-ordinate donors (eg helping to establish a Donor Liaison Unit).

4. Undertaking detailed programme design

Putting together the programme design team

4.1 DFID typically uses consultants to undertake the design of TPTC programmes, sometimes accompanied by DFID staff, and usually working as a team with selected officials from the main partner agency. The range of expertise required is discussed in Section 3 above. Draft Terms of Reference (see below) and team members should be agreed by DFID and the partner agency, and the design team should work closely together to plan the in-country mission itinerary and stakeholder consultations well in advance.

Pre-mission consultations and preparations

4.2 When TPTC programmes are expected to encompass issues related to the WTO or the EU-ACP Cotonou Agreement, it can be useful to meet with trade officials in the partner country government's mission in Geneva and Brussels prior to undertaking the in-country design mission. These officials are the key day-to-day interface with the WTO and the EU Commission, and the main channel for communicating analysis and policy positions from trade authorities in the capital. They are worth meeting because they will be:

- An extremely valuable source of information on the constraints faced in the mission when it is interfacing with the WTO and the EU Commission.

- Able to give a perspective on the quality and consistency of back-up support from capital and the processes in place to formulate and implement trade policy.
- Able to make suggestions on who to meet in country on the design mission.

4.3 In some cases, developing countries, particularly LDCs, either have: (i) no mission in Geneva or Brussels; (ii) no dedicated trade officials in either mission; or (iii) too few officials dealing with the trade portfolio of each mission. These are important findings and are crucial to understanding the constraints to effective trade policy formulation and implementation.

4.4 It is also worthwhile to meet Geneva-based agencies who are major providers of TPTC such as the WTO, UNCTAD and the ITC, both to inform them of the broad scope and objectives of the programme/project being designed by DFID, but also to obtain information on:

- Each agencies' activities in the partner country.
- Other donor agencies active in the sector.
- Suggested key actors to meet whilst in country.

4.5 The final step to consider in advance of the in-country design mission, is commissioning a suitable national expert (Ministry of Trade officials will be able to identify suitable candidates) to undertake a short study to map the institutional framework of trade sector agencies, both government and non-government, (including the roles, responsibilities, and resources of each), flag key trade policy issues, identify other donors' activities, and draw together any relevant literature. Such a study can then be used as background information to assist the programme design team.

The in-country design mission

4.6 The in-country design mission, normally of around 2 weeks duration, provides an opportunity to build upon the initial consultations with stakeholders and to examine the issues raised during the identification stage in more depth (see Section 2 above). Whilst specific Terms of Reference for each programme design mission are likely to vary by country or region, the following core tasks can be envisaged:

- Examine the key trade policy issues and challenges, within the context of the overall strategy for sustainable development and poverty reduction.
- Appraise the existing institutional framework for trade policy formulation and implementation, including the capacity and resources of different government and non-government agencies.
- Assess the trade policy process, including inter-agency co-ordination across Government and the interface with private sector and civil society actors.

- Identify the main trade policy capacity constraints, and analyse other donors' existing or planned activities in the sector.
- Specify requirements for TPTC and assess options for support; including timing, cost, scope, risks, implementation modalities and co-ordination with other donors.
- Set out the next steps and flag particular issues for further appraisal or action by DFID and partner agencies during programme planning or implementation.

Box 3: What do TPTC programmes typically cover?

Policy research and trade strategy development

- Flexible research fund for governments to commission research into priority trade policy topics.
- Training for government officials in policy analysis skills.
- Consultancy support for strategy development and trade sector resource allocation reviews.
- Supporting local “think-tank” institutions to develop capacity to research topics and facilitate debate on trade, sustainable development and poverty reduction topics.

Participatory policy formulation processes

- Communication strategies to raise awareness and develop policy dialogue with business sector and civil society stakeholders.
- Research fund for non-government stakeholders to analyse issues and prepare policy briefings for government.
- Training for government officials and other stakeholders on participatory policy processes.

Co-ordination of trade policy with national development strategies

- Institutional reviews to examine inter-Ministerial co-ordination on trade related issues and recommend improvements.
- High-level workshops to promote a higher profile for trade policy and exploit opportunities to integrate trade into national development strategies.

Participation in international trade negotiations

- Call-down facility for government’s to buy in technical experts to assist negotiators.
- Financial support for communications and delegation travel costs.
- Training in negotiating skills and study visits to WTO.

Implementation of trade agreements

- Drafting of new WTO-consistent legislation.
- Training and awareness raising on WTO agreements.
- Establishment of WTO National Enquiry Points.
- Technical assistance for meeting WTO notification requirements.

Preparing the Project Memorandum and completing the Logical Framework

4.7 Once the visit report of the project design mission has been accepted by DFID, its partner agency and other stakeholders, the next stage is to prepare a full draft DFID Project Memorandum, including a revised Logical Framework. Building on the findings of the design mission and other preparatory work and consultations, this task will involve applying DFID's standard multi-disciplinary project appraisal techniques to define the preferred approach⁴. Box 3 shows some of the kinds of activities supported by typical TPTC programmes and sample Logical Frameworks are at Annex 1. Box 4 identifies some of the risks in TPTC programmes and corresponding mitigating measures.

Box 4: Managing risks in TPTC programmes	
Risk	Mitigating measures
Progress in international trade negotiations does not take place as planned.	<ul style="list-style-type: none"> • Project contractors should be required to track progress in each set of trade negotiations and tailor project activities accordingly. • Programmes should be designed to accommodate flexibility.
Stakeholders outside of Trade ministries are not willing to participate in the project.	<ul style="list-style-type: none"> • Programme activities should include components on developing stakeholder dialogue and awareness raising. • Sharing programme responsibilities and resources across stakeholders can avoid the concentration of control in too few hands and increase ownership.
Trained staff do not remain in post.	<ul style="list-style-type: none"> • Training interventions should be designed to ensure that a large number of participants staff are included in capacity building activities in order that skills can be retained. • Majority of training events should therefore be in-country so greater numbers can attend. Training local trainers can also increase future sustainability.
At the end of the programme, activities supported are not continued or sustained due to lack of resources.	<ul style="list-style-type: none"> • Programmes can include activities aimed at identifying future resource requirements and facilitating improved resource allocation to trade policy functions within the public expenditure framework.

4.8 The draft Project Memorandum should then be finalised and agreed by DFID and the partner agency. If both parties agree, the project documents, or an abridged version can then be shared with other donors and principal stakeholders. The TPTC programme is then ready to move to implementation.

⁴ For detailed guidance on DFID's project appraisal methodologies, see DFID Office Instructions. International Trade Department can also provide sample Project Memoranda for TPTC programmes as reference material.

Annex 1

Sample Logical Frameworks for TPTC programmes

Narrative Summary	OVI ⁵	MoV ⁶	Assumptions
<p>Goal</p> <p>Effective participation in hemispheric, regional and multilateral trade fora.</p>	<p>1. 80% of performance targets in negotiating strategy for FTAA, post-Lomé and WTO 2000 achieved by end of negotiations.</p>	<p>Project Completion Report.</p> <p>Minutes of trade negotiations.</p>	
<p>Purpose</p> <p>To build the capacity of the regional authority for external trade negotiations.</p>	<p>1. Negotiators have timely access to:</p> <ul style="list-style-type: none"> a) Clear policy papers; b) Supporting information; c) Call down expertise <p>for post-Lomé and WTO 2000 negotiations.</p> <p>2. Revised negotiating strategy agreed by March 2001.</p> <p>3. 90% of performance targets for CPS⁷ key objectives achieved by March 2001.</p>	<p>Project Completion Report.</p> <p>Project Monitoring Reports.</p> <p>CPS Monitoring Reports.</p>	<p>Other donors deliver agreed support to time and quality standards.</p> <p>Committed participation from regional partners.</p> <p>Continued political and financial support for regional authority.</p> <p>Officials attend training events and read reports and briefings.</p>
<p>Outputs</p> <p>1. Improved communication between regional authority and its regional partners.</p> <p>2. Programme of technical studies completed.</p> <p>3. Call-down technical expertise facility operational.</p> <p>4. Trained regional personnel.</p> <p>5. Appropriate information technology systems in place.</p>	<p>1.1 CPS designed and operational by July 1999.</p> <p>1.2 Communications Director recruited by March 1999.</p> <p>2.1 8 studies on key issues for post-Lomé and WTO 2000 negotiations completed by February 2001.</p> <p>2.2 8 workshops on key issues for post-Lomé and WTO 2000 negotiations completed by February 2001.</p> <p>3.1 13p/m of call-down briefings and specialist inputs for post-Lomé and WTO 2000 round negotiations successfully delivered by February 2001.</p> <p>4.1 96p/m of Research Associate internships completed by February</p>	<p>Project Completion Report.</p> <p>Project Monitoring Reports.</p>	<p>Committed participation from regional partners.</p> <p>Regional authority retains key personnel.</p> <p>Effective co-ordination between donor-financed projects.</p>

⁵ OVI = Objectively Verifiable Indicators

⁶ MoV= Means of Verification

⁷ CPS = Communication & Partnership Strategy

Narrative Summary	OVI ⁵		MoV ⁶	Assumptions
	2001. 4.2 8 study tours for Research Associates completed by February 2001. 5.1 10 portable computers and software procured and integrated into intranet by March 1999.			
Activities 1.1 Recruit Communications Director. 1.2 Agree ToRs and recruit CPS consultants. 1.3 Undertake needs analysis and design CPS. 1.4 Implement and monitor strategy. 2.1 Finalise studies programme. 2.2 Agree ToRs and recruit consultants. 2.3 Undertake studies. 2.4 Review and circulate study reports. 2.5 Prepare policy briefings. 3.1 Define call-down requirements. 3.2 Agree ToRs and recruit consultant. 3.3 Design and deliver intensive briefings, workshops etc. 4.1 Finalise selection and management arrangements for internships. 4.2 Recruit Research Associate interns. 4.3 Design and undertake study tours. 5.1 Specify portable computers and software. 5.2 Procure computers and software. 5.3 Commission equipment.	Inputs Technical studies Call-down facility CPS Training IT equipment Project management Contingencies			Expertise can be sourced.

