

# PARTNER COUNTRY QUESTIONNAIRE ON AID FOR TRADE

- We advise you to read the Explanatory Notes starting on page 10 before answering the questionnaire.
- When completed, this form should be returned by 20 February 2009 via e-mail to [aft.monitoring@oecd.org](mailto:aft.monitoring@oecd.org) and [aft.monitoring@wto.org](mailto:aft.monitoring@wto.org).
- The questionnaire can be downloaded from the OECD website at <http://www.oecd.org/dac/trade/aft> or from the WTO Members' website at <http://members.wto.org/members/>.
- All the boxes in this form are expandable.

## 1 IS YOUR TRADE STRATEGY MAINSTREAMED?

### Q1.1 Does your country have a national development plan or strategy?

Yes

No

If YES, does this development plan include trade as a lever for growth and poverty reduction? (*please tick the most accurate description below*)

- Trade is a key priority and the plan includes well developed trade-related priorities and implementation actions (*please attach*).
- Trade is mentioned but the plan does not include operational objectives and action plans.
- No.
- Other, please describe:

If your Government does NOT have an articulated national development plan or strategy, or if trade is not strongly present in it, are there other separate strategies/plans addressing trade-related objectives? (*feel free to tick more than one box*)

- Government priority areas are not systematically subject to a documented strategy.
- In the annual government budget.
- In various sectoral strategies (e.g. one per relevant ministry, or per sector). Please describe and attach:

- In one single trade development/competitiveness strategy document encompassing all trade-related priorities across different government departments (*please attach*).
- Other, please describe:

**For Least-Developed Countries participating in the Enhanced Integrated Framework (EIF), former Integrated Framework (IF):**

**Do the Diagnostic Trade Integration Study (DTIS) and Action Matrix reflect your Government trade strategy? (please tick the most accurate description below)**

- The DTIS and accompanying action matrix reflect well my country's trade-related needs and my Government's priorities.
- The DTIS and accompanying action matrix partly reflect my Government's analysis of trade needs and priority areas.
- The DTIS and accompanying action matrix are not (or are no longer) a good indication of my country's trade-related needs and priorities.
- The DTIS and accompanying action matrix are not currently a good indication of my country's trade-related needs/priorities, but they are in the process of being updated.
- Other, please describe:

**Q1.2 What are your Government's priority areas of intervention to improve your country's capacity to benefit from trade expansion and integration into the world economy?**  
*(Below are listed the most common areas grouped according to broad aid category – please rank the top 3 priority areas among the 12 listed)*

<b>Trade Policy and Regulations</b>	Trade Policy Analysis, Negotiation and Implementation	<b>Economic Infrastructure</b>	Network infrastructure (power, water, telecom)
	<b>1</b> WTO Accession costs		<b>3</b> Other transport
	Trade Facilitation		Cross-border Infrastructure
<b>Building Productive Capacity</b>	Competitiveness	<b>Other</b>	Adjustment costs
	Value Chains		Regional Integration
	<b>2</b> Export Diversification		Other, please describe:

**Q1.3 Does your Government have an operational strategy (with action plans, timelines and budgets) for its priority areas?**

Priority 1:  Yes  Being formulated  No

*If Yes or Being formulated, please describe*

Vanuatu's Council of Ministers has mandated the Ministry of Trade to re-start negotiations leading to Accession. This has entailed substantial costs, particularly given Vanuatu's unique situation vis-à-vis the Accession process. Since a percent of these costs have been borne by Integrated Framework (IF) funding, the Ministry of Trade was required to draw up relevant timelines and budgets. Activities relating to WTO accession appear under Component 1 (of 3) of Vanuatu's IF implementation.

Priority 2:  Yes  Being formulated  No

*If Yes or Being formulated, please describe*

With a relatively small internal economy and few exportable natural resources, Vanuatu's Government recognizes the need for private sector-led export growth. This need has prompted Vanuatu's Ministry of Trade to begin developing a strategy to improve supply-side performance across a number of key sectors. This will clearly dovetail with anticipated EIF Tiers 1 & 2, and the upcoming Joint Multi-Donor Mission to Vanuatu to assist the Government in the development of a primary sector strategy.

Priority 3:  Yes  Being formulated  No

*If Yes or Being formulated, please describe*

**Q1.4 Are the financing needs of these trade-related priorities included in your national dialogue with donors?**

Yes  No  Not sure

**If YES, which structures do you use to discuss the financing needs of your trade-related priorities with your donors? (feel free to tick more than one box)**

PRSP/CAS  Bilateral dialogues  Regional-wide dialogues  Other, please describe:

**Please describe the type of dialogue or alternative method, its level, its frequency, and its specificity to trade matters:**

Currently, the Ministry of Trade does not have any regular interface with the donor community regarding financing or monitoring aid for trade funding in Vanuatu, instead having historically opted for ad-hoc (and, consequently, often donor-led) bi-lateral discussions frequently on specific projects. However, this paradigm is rapidly changing, particularly with the Tier 2 of the Enhanced IF being viewed as a "focal point" for interacting with donor in a regular, multi-lateral forum on aid-for-trade projects and the integration of the newly-formed high level Aid Coordination unit of the Prime Minister's Office.

**If NO, do you have plans to include trade-related priorities in your dialogue with donors in the next two to three years?**

Yes  No  Not sure

- End of Section 1 -

**Please feel free to provide additional information about your trade strategy**

Attached is Vanuatu's Priority Action Agenda, which highlights the role of both internal and external trade in supporting continued and equitable economic growth in Vanuatu. The PAA has been developed by the Department of Economic and Strategic Planning (DESP) in the Ministry of Finance and Economic Management in broad consultation across other Ministries and Departments

## 2 HOW IS YOUR TRADE STRATEGY FINANCED?

**Q2.1 Does the attached CRS<sup>1</sup> profile accurately quantify the Aid for Trade you received in 2006 and 2007?**

Yes       No       Not sure/ NA

**If NO, please provide details of the Aid for Trade you received in 2006 and 2007.**

*[Please describe with figures, and include any activities that may fall under 'other trade-related needs']*

Noto bene: The Creditor Reporting System (CRS) snapshot for Vanuatu includes bi-lateral Overseas Development Assistance (ODA) disbursed over 2006-2007. This obviously would not include the most significant aid-for-trade funding facility implemented in Vanuatu: the Integrated Framework funding package, which was initiated in 2008.

- End of Section 2 -

**Please feel free to provide any additional information on aid-for-trade flows**

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<sup>1</sup> The CRS profile summarises the commitments and disbursements reported by donors to the OECD Creditor Reporting System on the aid categories most closely associated with Aid for Trade as defined by the WTO Task Force, specifically support for trade policy and regulations, trade development, trade-related infrastructure, building productive capacity and trade-related adjustment (available from 2008 only).

### 3 HOW DO YOU IMPLEMENT YOUR TRADE STRATEGY?

#### Ownership

#### Q3.1 Who is responsible for overseeing and coordinating the implementation of your trade strategies including activities funded by ODA?

- A national committee is responsible for coordination and implementation.
- The Trade Department has a coordinating role but implementation is overseen by each relevant department separately.
- The national aid agency has the main coordinating role but implementation is overseen by each relevant department separately.
- There is no central coordination department. Each relevant department is separately responsible for implementation.
- Other, please describe:

**If you have (or are in the process of establishing) a national committee, please describe its main functions, its membership (e.g. ministries, private sector), frequency of its meetings and to whom the committee reports. [Please describe and exemplify below.]**

Partially as an outcome of the process of accessing Integrated Framework funding, the Trade Development Unit (TDU) of the Ministry of Trade created the National Trade Development Committee. The purpose of the committee is to facilitate a high-level discussion between national actors of all kinds: civil society, Government, and the private sector. The committee is chaired by the Hon. James Bule, Minister for Trade, and meets quarterly. The Trade Development Unit (TDU) continues to examine ways to make this consultative process more efficient, timely, and inclusive.

#### Q3.2 Do you engage in dialogue with the private sector and other key domestic stakeholders about the formulation and implementation of your trade strategy?

- Nearly always     Regularly     Rarely     Not sure/ NA

**If you do, please describe your main stakeholders and the focus and frequency of your dialogue. [Please describe and exemplify below.]**

The main private sector stakeholders are, naturally, the largest exporters and importers in the country; conveniently, as Port Vila is both the capital and the centre of private enterprise in the country, it is relatively simple to consult deeply and regularly with key private sector actors. As discussed above, one avenue is through the National Trade Development Committee, which means quarterly. In addition, Industries Officers of the Department of Trade hold regular discussions with private sector producers and importers on an ad-hoc basis.

**For Least-Developed Countries participating in the Enhanced Integrated Framework (EIF):**

**Q3.3 Is your EIF focal point and committee responsible for overseeing and coordinating all your trade agenda?**

Yes       No       Not sure/ NA

**If no, please describe the different arrangements:**

Vanuatu continues to benefit from the IF Window II-round financing for trade facilitation and has not yet transferred to the Enhanced Integrated Framework. However, as stated above, the National Trade Development Committee (NTDC) was developed partially as an outcome of Vanuatu's need to access IF funding. The NTDC meets quarterly and is chaired by the Hon. Minister for Trade, Mr. James Bule. The NTDC coordinates Vanuatu's trade agenda, with a focus on the implementation of IF / EIF.

**Working with external partners: harmonisation and alignment**

**Q3.4 In your Aid for Trade programs, how often do donors co-ordinate and align through:**

	Regularly	Sometimes	Rarely or Never	Not Sure
Joint needs assessments	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Co-financing	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sector-wide approaches	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Joint Implementation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joint Monitoring and Evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other, please describe:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Monitoring and evaluation**

**Q3.5 Do you monitor or evaluate your donor supported trade-related programmes?**

Nearly always       Regularly       Rarely or Never       Not Sure

**If you monitor and evaluate your donor supported trade-related programmes, do you use:**

	Regularly	Sometimes	Rarely or Never	Not Sure
Donors' monitoring and evaluation results	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joint monitoring and evaluation arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Own monitoring and evaluation arrangements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Own monitoring but joint/donor evaluation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If you use nearly always or frequently your own monitoring and/or evaluation arrangements, can you please provide examples of your methodology and results? [Please describe and exemplify below.]**

### Mutual Accountability

**Q3.6 Have you established mechanisms/procedures to discuss with the relevant donors the outcome and impact of your trade-related programmes?**

Yes       No       Not sure/ NA

**If yes, please can you describe and exemplify them?**

### Priorities for improvement

**Q3.7 What are your government's priorities to improve the implementation and effectiveness of the aid for trade it receives? Please rank the top three in order of importance.**

- Greater say in the design of aid for trade interventions:
- Stronger donor focus on capacity development:
- Better predictability of aid for trade funding:
- More extensive use of Budget Support (or Trade Sectoral Wide Approaches)
- More regular joint-donor implementation actions
- More harmonised reporting requirements
- More frequent joint donor-partner implementation efforts
- More systematic use of joint donor-partner monitoring and evaluation
- Other, please describe:

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**Please, describe in detail the improvements needed in your top priority area**

Despite the recognition of the importance of trade for economic growth (through improved export performance in the private sector), aid-for-trade has a relatively brief history in Vanuatu, with the Integrated Framework project representing the first wide-scale aid intervention and the accompanying Diagnostic Trade Integration Survey (DTIS) representing the first comprehensive, country-wide trade analysis document. Therefore, these priority areas are for future aid-for-trade (in particular the Enhanced Integrated Framework funding under Tiers 1 & 2).

In particular, the Department's priority focus will be to develop more frequent joint donor-partner implementation efforts.

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### Sharing Knowledge

**Q3.8 Please identify and rank three areas of interventions (see Question 1.2 for a list of examples) where aid for trade has been most effective at raising trade capacity in your country.**

*(Please explain your choice)*

Area 1 Trade Facilitation

Area 2

Area 3

**Q3.9 Are there any particular examples of your aid-for-trade processes, programmes or projects that have obtained good results that you think could contribute to the development of good practices?**

*[If so, please describe them below and attach any relevant documents.]*

- End of Section 3 -

**Please feel free to provide additional information on the implementation of your donor supported trade-related programmes and projects, *i.e.* aid for trade.**

## 4 ADDRESSING TRADE CAPACITY CONSTRAINTS AT THE REGIONAL LEVEL

**Q4.1 Do your trade strategies specifically address regional trade capacity challenges?**

Yes  No  Not sure/ NA

If YES, please describe them:

**Q4.2 Do you participate in regional dialogues, programmes or activities aimed at promoting regional integration?**

Yes  No  Not sure/ NA

If YES, can you tell us in how many of these you participate in and describe the most important ones to you? *[Please describe below.]*

-Pacific Island Forum: Vanuatu is a member of and key contributor to the Pacific Island Forum, based in Fiji. This umbrella body assists coordination of the fourteen (14) Forum Island Countries, including the region's largest economies of Fiji, Papua New Guinea, the Solomon Islands, and Vanuatu. At the Pacific level, Vanuatu is a signatory to the Pacific Island Countries Trade Agreement (PICTA)

- MSG: Vanuatu is also a member of and host to the Melanesian Spearhead Group (MSG), which also includes Fiji, Papua New Guinea, and the Solomon Islands. This group cooperates at a political level on pan-regional issues, including trade. Vanuatu has signed the MSG Trade Agreement, which reduces tariffs between MSG members to zero, apart from a brief list of "negative list" items, the tariffs on which will be reduced to zero by, in Vanuatu's case, 2015.

- PACER Plus: Vanuatu's participation in discussions designed to produce an Economic Partnership Agreement between Vanuatu and the European Community triggered Vanuatu's participation in informal PACER Plus discussions with Australia and New Zealand. These discussions remain purposefully informal, with no requirement that Vanuatu engage in formal negotiations in the future. However, these discussions continue to be productive, and there is obvious scope for the final agreement to include provisions on, inter alia, trade liberalization, stabilisation & other aid, and labour mobility.

**Q4.3 Do you know if these regional dialogues, programs, and/or institutions receive aid for trade?**

Yes, they do  No, they don't  I don't know/ NA

If YES, are you an active participant in the regional dialogues, programs and/or institutions?

Yes  No  Not sure/ NA

**Q4.4 Do you participate in or benefit from aid-for-trade programmes implemented at the regional level?**

Yes       No       Not sure/ NA

**If YES, please describe the main benefits.** *[Please describe and quantify whenever possible.]*

- End of Section 4 -

**Please feel free to provide any additional information concerning the regional dimension of your trade strategies:**

-- Thank you --