

TFA NOTIFICATIONS AS TOOLS FOR DEMAND DRIVEN ASSISTANCE CONVERSATIONS: CONTRIBUTION BY THE UNITED STATES

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- USAID has been a leading provider of technical assistance to facilitate trade over the past decade. Assistance has been delivered through bilateral -country projects, in regional trade programs (Southeast Asia, Central America, Andean region; West, East, and Southern Africa), and in global project facilities that allowed USAID Washington to provide short-term technical assistance “on demand” in scores of countries—much of it relating to trade facilitation.
- While we have been providing assistance in areas covered by the TFA for a long time, the arrival of the TFA itself, along with its new approach in Section II providing self-declared transition periods and self-assessments of capacity needs created a new opportunity for individualized technical assistance plans. We have an opportunity where the obligations and processes set out in a WTO agreement intersect in interesting ways with ongoing development and assistance provider conversations.
- We are not starting from scratch and we do not need to reinvent the wheel, but we have an opportunity to discuss how the TFA provides a framework to refine these conversations aimed at achieving agreement-specific goals.
- We wanted to take the opportunity today to provide our reflections on what we have learned from the assistance side of these conversations and engagement on developing and responding to TFA notifications.
- We view the notification process as set out in the TFA as an opportunity to discuss how best to create implementation plans for TFA provisions which have varied transition periods while assembling the correct development tools and engaging the right partners in order to execute this plan in the most successful and beneficial way possible. For the Agreement and for the WTO, we need to ensure the success of this new approach.
- Our goal is to highlight three critical elements for success, as well as reflect on how development assistance providers work and how they interact with both host countries and with each other which we believe involves maximizing the use of the notifications submitted under Section II.
- We know from our having conducted numerous needs assessments in the past that few countries need technical assistance to accomplish every reform. During the needs

assessments, most countries identified numerous provisions of the TFA as falling into the A or B categories which we hope will be reflected in the formal notification to the WTO.

- Based on the notifications made to date, there is ample evidence that many provisions of the TFA can be implemented by developing countries themselves, we also believe that technical assistance from donors may be limited in scope to the level necessary to achieve implementation of the article in the Agreement. Achieving implementation of the articles is the goal, and we should bear this in mind, to always ensure that sufficient resources will be available to all countries that need support. Higher-level implementation, beyond that called for within the TFA—if desired by individual countries—may be the responsibility of those countries.
- We would also note as a reminder that country ownership and mutual accountability are essential elements of sustainable development as highlighted in the Paris Declaration on Aid Effectiveness and subsequently restated in Busan with the Fourth High Level Forum on Aid Effectiveness.
- These may not always be easy conversations to have, but we must have them nonetheless.
- **We think an important place to start, and an innovative feature of the TFA which we believe has the potential to unlock the success of the novel Section II approach, is in the establishment and functioning of the National Trade Facilitation Committee.**
- It is important that countries recognize that the presence of empowered national trade facilitation committees and evidence of political will are essential to making the most effective use of the Section II notification process, and may be regarded as determining factors when donors prioritize technical assistance efforts.
- We have worked with a wide range of partners on development of their national committees, and we believe that, if established correctly—with participation by the private sector—they can provide the dynamic leadership necessary to bring all of the relevant agencies and stakeholders together in a concerted, collaborative effort to support implementation and functioning of the TFA.
- The role of the private sector is important—we need to remember that the overarching purpose of the TFA is to reduce the time and costs to the trading community.
- The composition of the National Committee is also critical.
- We have found that including the government agency responsible for coordinating assistance and donor relationships in the Committee is essential for ensuring that there is internal coordination on assistance requests – as well as horizontal coordination among all donors working with a particular host – so that existing priorities, projects or programs can be best leveraged to support TFA.

- We have seen in many notifications that similar requests for assistance are repeated under different provisions, often with the same officials or agencies responsible, this gives the impression of a highly segmented approach which would be inefficient to implement, and also raises concerns over duplication of efforts if it appears that the same agencies would receive effectively similar training repeatedly.
- Furthermore, we have also observed that notifications include assistance requests that are often very broad. Notifications need to be viewed – by both the developing country and the assistance provider – as the beginning of a very detailed conversation about existing capacity and desired outcomes.
- Without knowing exactly what the Member is proposing as its final objective, it is difficult to assess the request. For example, there are many best endeavor provisions and permissive ‘may’ commitments in the agreement, and many of the notifications have substantial assistance requests associated with those provisions, so assistance providers would need a better understanding of the final goal to assess if a project makes sense.
- We have also been approached by particular agencies from developing countries about specific requests, only to find out that our national level interlocutors are either unaware of the requests or have not carried out the necessary due diligence to engage with donors on a project. This leads to delays and often missed opportunities.
- We believe that having comprehensive representation from all relevant governmental entities involved in the notification drafting stage can mitigate many of these obstacles, leading to more precise articulation of needs, consolidation of requests to avoid duplication or even better allow for collaboration with existing projects and an assurance of national level buy-in from the outset.
- A well-drafted notification can then serve as a basis for demand driven conversations with donors.
- **Second critical element would be effective donor coordination at the national level.**
- Ideally, key assistance providers who are active nationally or regionally can be included in the National Committee process on the ground floor, but if not there may be cases where the wider donor community needs to be approached in order to identify assistance for TFA provisions.
- It is essential in these cases that Members work to ensure coordination among donors to avoid duplication of efforts that could lead to delays or overlaps. While donor agencies themselves work hard to coordinate, the field is large and we believe coordination is a shared responsibility.

- **The third element we wish to highlight is that communicating progress, challenges or obstacles in the TF committee is an essential element of making sure Section II works properly.**
- There are important timelines set out in the TFA to move the notification process forward and we encourage all Members to use the Committee discussions to ensure that this happens as we intended it to.
- Presenting on notifications, explaining what assistance conversations a Member has already had, and equally importantly what challenges they may be facing, during the expended notification timeline allows us as a Committee to respond and hopefully address challenges and concerns that arise along the way.
- The time provided in the TFA between entry into force and the deadline for final definitive implementation dates was intentional, and we need to ensure that the Committee does its work to assist all Members achieve their implementation goals.