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A € 5 Million Fast-track Fund for Trade-related Technical Assistance in Asia

Nineteen Asian developing countries stand to gain from new, fast-track access to technical assistance in a three-year programme financed by the European Commission (EC) and the International Trade Centre (ITC). They will present the € 5 million Asia Trust Fund to ambassadors of the eligible countries, as well as to potential donor countries, at a meeting on 8 November 2004 in Geneva.

International trade moves at a faster pace than ever before. The requirements to comply with international rules and regulations are equally becoming more complex. Often, countries request technical assistance in order not to miss out on attractive opportunities. Lengthy approval procedures of most assistance programmes can mean risky delays in response. This faster, lighter scheme will help bridge the gap.

Managed by ITC, the Asia Trust Fund will support projects for quick delivery of short-term assistance with a budget of up to € 200,000 and a maximum duration of one year for each project. It was launched on 21 September 2004 in Brussels, in a joint presentation by ITC and the EC to relevant Brussels-based ambassadors.

The Asia Trust Fund will support national efforts to benefit from World Trade Organization (WTO) rules or sector-specific initiatives to strengthen exports. The aim is to help Asian developing countries to integrate better into the world economy and contribute to poverty alleviation and sustainable development through increased exports. Asia Trust Fund support will complement bilateral programmes of the EC, ITC and other development partners, particularly for national and regional trade development strategies, including Poverty Reduction Strategy Papers.

“Technical cooperation is traditionally delivered in country-specific contexts over a period of many years,” said J. Denis Bélisle, Executive Director of ITC. “The Asia Trust Fund is a cost-effective, innovative and complementary delivery mechanism that facilitates speedy access to urgently-needed and very specific expertise in the area of trade development.”

Speeding up the process

A fast-track approach for trade-related technical assistance is needed, as the WTO's Doha work programme for a new global trade pact gains momentum. The Fund is designed to respond to immediate needs for capacity-building projects. The government submits a formal request for assistance through its national focal point or the relevant regional organization to the EC Delegation concerned, and ITC, for review after which, ITC will prepare a technical assistance proposal in consultation with the concerned parties. The process will take just 60 days – compared to several months or more than one year of preparation time for many traditional technical cooperation projects.

“With the accelerating pace of change in world trade today, this is a welcome boost to countries that cannot afford a lengthy wait for assistance,” said Mr Bélisle. “This partnership between ITC and the European Commission is a very welcome and timely initiative. ITC has long been a one-stop-shop for trade-related technical assistance. Through the Asia Trust Fund, we can work together to benefit Asian developing countries.”

A wide range of projects and sectors

Asia Trust Fund projects can range from supporting research on national implications of WTO rules and agreements, to conferences and workshops. Capacity building assistance to improve standards, strengthen trade support institutions and provide advice on best practices in procurement and supply chain management is also available. Assistance could also involve tailor-made advice for product development, adaptation, promotion and marketing.

Priority sectors include textiles and garments, wood and wood products, artisanal products, beverages, leather and leather products, organic products, fruit juices, fruit and vegetables, fibres and spices. In addition, the Asia Trust Fund will support initiatives to develop the promising tourism, business and professional services sectors.

The 40-year-old ITC, a trade-related technical assistance agency under the umbrella of the WTO and the United Nations Conference on Trade and Development, has assisted developing and transition economies to apply practical trade development solutions to increase their chances in export markets

Eligible countries

The 19 eligible Asian countries and two Asian regional organizations are: Afghanistan, Bangladesh, Bhutan, Cambodia, China, Democratic People’s Republic of Korea, India, Indonesia, Lao People’s Democratic Republic, Malaysia, Maldives, Mongolia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand, Timor-Leste and Viet Nam; the Association of Southeast Asian Nations (ASEAN) and the South Asian Association for Regional Cooperation.

Geneva-based journalists are welcome to attend the meeting on 8 November, after contacting ITC.

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About ITC

The International Trade Centre is the technical cooperation agency of the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO) for operational and enterprise-oriented aspects of international trade development. As the United Nations focal point for technical cooperation in trade promotion, ITC works with developing countries and economies in transition to set up effective trade promotion programmes to expand their exports and improve their import operations.