

## Aid For Trade

### **Overview**

The Aid for Trade initiative was established in 2005 with the intention of connecting emerging economies with the development resources necessary to integrate into the global trade network. The main goals of the program are to provide least-developed countries with the tools to both cultivate strong trade infrastructure and the skills needed to sustain prolonged international trade engagement. The concept materialized during the Doha Development Round of the World Trade Organization (WTO), and gained traction with the support of aid institutions such as the World Bank, International Monetary Fund, and the United Nations Development Programme. Aid for Trade seeks to connect donors and developing countries with as much efficiency as possible, and with the definition of development both broad and ambiguous, this requires significant coordination efforts in order to ensure the program's success over the long-term.

### **The Role of the WTO**

One of the overarching goals of the World Trade Organization is to ensure that trade moves between countries as freely as possible. This means that the WTO is accountable for ensuring all of its members are able to participate in global trade to their fullest potential. The introduction of Aid for Trade during the Doha Round acknowledged that not all members had equal access to the global market, and the WTO was therefore responsible for implementing a strategy that would help level the playing field. While the WTO itself cannot allocate resources towards development, it does play an active

role in the coordination efforts and trade policies that help guide the initiative.

### **U.S. Involvement**

The United States is the largest provider of Aid for Trade in the world. "Trade Capacity Building", as it is also referred to, is a pillar of the United States Agency for International Development's assistance programming. Since 2001, the Agency has committed over USD 6 billion to technical assistance for emerging economies, including programs to negotiate regional trade agreements, decrease technological barriers, and develop trade-promoting infrastructure. Beyond domestic policy initiatives towards Aid for Trade, the US collaborates with other donor entities such as Germany, the European Union, and Japan.

### **Aid for Trade Today**

The 2023-2024 Aid for Trade programme introduced by the WTO highlights "Partnerships for Food Security, Digital Connectivity and Mainstreaming Trade". Key projects under this initiative include a EUR 8.3 billion commitment to Ukraine by the EU, a digitization project called "Switch ON" in Zambia, and projects sponsored by the Asian Development bank in Nepal and the Maldives to facilitate 'Green Trade' practices. The WTO continues to review development measures on a biannual basis, and will hold the ninth Aid for Trade Global Review on June 26 - 28, 2024. Key topics of review leading into this year's meeting include promoting sustainable development and trade standards across all WTO member states.