CeFReS
Centre français de recherche
en sciences sociales

ROZVOJOVÉ STŘEDISKO

# *European Union and the development of Africa*

## International Conference

**Prague, 23 and 24 march 2006**

**Emmaus Cloister, Vyšehradská 49, Prague 2**

**Trade or aid: an old fashioned question?**

**Jürgen Wiemann**

**Friday 24 march 2006, 9.00 – 12.30**

**Panel 3: A European strategy for Africa? (follow up)**

**Trade or aid: an old fashioned question?**

**Jürgen Wiemann, Deputy Director, German Development Institute, Bonn**

1. **Yes, "trade or aid" is an old question, but not "old fashioned" – on the contrary, it has become extremely relevant again in a world of asymmetric globalisation with its staggering divergence of development paths under the same multilateral framework for international trade. The East Asian Newly Industrialising Countries (NICs) and now even the 'large elephants' China and India, have made and are making full use of the opportunities of a globalising economy and show with their record high growth rates for decades that not only development, but also convergence with the OECD income level is possible, whereas African developing countries are not able to benefit even from preferential market access to the EU (and, lately, the U.S.) and fall behind in all economic and human development indicators (there are only few exceptions like Botswana and Mauritius). A first conclusion from this dramatic divergence is: *Trade liberalisation is a necessary but not sufficient condition for helping developing countries diversify their exports and benefit from the dynamics of the globalising world economy*.**

   - The relevance of the global trading system for human development has increased in recent years with deeper integration of developing countries into the world economy and the new rules and agreements of the WTO for both border measures and behind-the-border policies. Not many developing countries are prepared to meet the challenges and benefit from the opportunities of deeper global integration. Therefore, development assistance in the form of Trade Related Capacity Building (TRCB) has to support mainstreaming trade into development strategies.

2. **The complementary relation between trade policy and development assistance is one of the key issues of the ongoing Doha Development Round in the WTO. Even if the round would bring deep cuts in tariffs and non-tariff barriers especially for**

**agricultural products and other products of special interest for developing countries, not all developing countries would benefit alike – some would even face losses due to rising import prices for food, erosion of preferences and a vast array of supply-side obstacles that prevent the least developed countries in particular from making use of the improved access to export markets. Additional development assistance will be necessary to compensate the poorer developing countries for immediate losses from trade liberalisation (preference erosion and rising prices for imported food), to help them manage the necessary structural adjustments resulting from increasing international competition and for developing and expanding their production capacities for new exports.**

➢ The Doha Development Round differs from previous GATT rounds: its success will not be measured by further trade liberalisation and the extension of rules to new trade-related policies, but by the contribution of the trading system to poverty alleviation and achievement of the Millennium Development Goals (MDGs). This would be, in the area of multilateral trade policy, the paradigm shift from the *Washington Consensus* to the era of the *Millennium Development Goals*, from an instrumental approach to an outcome-oriented approach.

- What policy space *(Development Box)* is needed for agricultural policies in order to provide food security and stimulate pro-poor agricultural development, especially in poor developing countries?

- What adjustments have to be made to the TRIPS Agreement in view of public health? The TRIPS Agreement was expected to stimulate research and development of new medicines, but this does not automatically take place for medicines for poor people and countries. Serious economists advocate to scrap the TRIPS Agreement completely[1] or at least to take it out of the WTO.

- The GATS negotiations on liberalisation of international trade in services touch highly sensitive issues if it comes to basic public services like water, health and education. Would private and foreign service providers care for the needs of the poor? And why should developing countries open their markets to foreign service providers if developed countries do not open their markets wider for individual service providers

1 Birdsall, N. / D. Rodrik / A. Subramanian: How to Help Poor Countries, in: Foreign Affairs, Vol. 84, 2005, No. 4, pp. 136-152.

under Mode 4 of GATS? What *policy space* will be conceded to developing countries under the special and differential treatment (s&d) provisions contained in many WTO agreements?

- And, finally, will the donors offer enough and effective aid for trade to enable developing countries, especially LDCs, to make use of the opportunities of global markets and manage the structural adjustments resulting from international competition in a socially acceptable way? The future of the multilateral trading system depends on whether viable solutions to these problems will be found that are acceptable to all WTO member states.

3. **The EU is in a special position to combine trade and aid policies. The EU is the largest importer of products from developing countries and it executes a common trade policy for the single European market and negotiates trade agreements with third countries on behalf of the member states. At the same time, the EU (Commission and member states together) is the largest donor of development assistance.**

- ➢ The legal foundation for combining European trade and aid policy is the development cooperation chapter of the Treaty establishing the European Community (Art. 177-181). It states: "*Community (…) development cooperation, which shall be complementary to the policies pursued by the Member States, shall foster: (…) the smooth and gradual integration of the developing countries into the world economy…*" (Art. 177). This cannot be achieved with development cooperation alone. Other Community policies should support – and not undermine – the objectives of development cooperation. This is the *Coherence principle* of the development chapter of the European Community Treaty. Art. 178 reads: "*The Community shall take account of the objectives referred to in Article 177 in the policies that it implements which are likely to affect developing countries.*" Coherence is not only an imperative for the EU, all OECD countries should be committed to better coherence of their policies affecting developing countries, as promised by the Millennium Development Goal 8 (MDG 8): *Develop a Global Partnership for Development*.

- ➢ In the Commission's statement on the European Community's Development Policy of 2000, trade and development (including the development of trade and investment policies, assistance with integration into the multilateral trading system and into the world market, including by trade related technical assistance and support for increasing capacity in trade and strengthening the competitiveness of the private sector) was declared as the first of six major areas for the Community development cooperation activities. The new "European Consensus on Development", a Joint Statement by the Council, the European Parliament and the Commission adopted in 2005, emphasises again Policy Coherence: *"It is important that non-development policies assist developing countries' efforts in achieving the MDGs. The EU shall take account of the objectives of development cooperation in all policies that it implements which are likely to affect developing countries."* (para. 35) According to the new Joint Statement, trade and regional integration is again the first of the (now 9!) priority areas for Community development cooperation: *"The Community will assist developing countries on trade and regional integration through fostering (…) smooth and gradual integration into the world economy, and linking trade and poverty reductions or equivalent strategies. The priorities in this area are institutional and capacity building to design and effectively implement sound trade and integration policies, as well as support for the private sector to take advantage of new trading opportunities."* (para. 72)

4. **The record of the development impact of the common trade policy is mixed. On the one hand, there is appalling incoherence between the EU's agricultural trade policy and development goals. The slow pace of reform of the Common Agricultural Policy could jeopardize the entire Doha Development Round. On the other hand, the EU has wide opened its markets for industrial products (except for textiles and clothing) and has been more generous than other developed countries granting non-reciprocal trade preferences to developing countries. Whether these preferences have helped the beneficiary countries to expand and diversify their exports is, however, an another question. Empirical evidence raises doubts about the positive effects of trade preferences.**

   - A major embarrassment for EU's commitment to coherence is the Common Agricultural Policy (CAP) with its high import tariffs, non-tariff barriers and export subsidies that distort competition with the major agricultural exporters among developing countries like Brazil or Argentina, and that undermine the economic viability of food production even in some of the poorest countries in Africa. As a result of food dumping on their markets, these countries have neglected their own agricultural development and have become net food importing countries. With their distorted production structure, they would be negatively affected by a general trade liberalisation in agriculture because this would lead to an increase of world market prices for food as a result of a dismantling of the CAP and a reduction of excessive production and export subsidies. In the long run however, a rising international and domestic price level for food should be an incentive for expanding LDCs' agricultural production – why should developing countries not have comparative advantages for food and agricultural production? Since the end of the Uruguay Round, the EU has started to reform the CAP, but the reforms meet strong resistance from the farm lobby which is politically powerful in major EU member states. A successful conclusion of the Doha Round would mean that the reform process would have to speed up. A good, however somewhat utopian proposal, would be to use some of the EU budget resources freed by a fundamental overhaul of the CAP for development assistance to those developing countries that would suffer from the reforms in the short run and would need some assistance for adjustment programmes to the new world market conditions.

- On the positive side, the EU can claim that its non-agricultural markets are wide open for developing countries' exports. Tariffs are relatively low for most manufactured goods and quantitative import limits (quotas) for textiles and clothing imports from developing countries should be phased out since 2005, after the end of the transitional period for the phase out of the Agreement on Textiles and Clothing.

- In addition to that, the EU claims to follow development-friendly trade policies with its differentiated systems of trade preferences for different groups of developing countries. In 1971, the EU was the first major trading block to introduce its General System of Preferences (GSP) for developing countries' exports. Least developed countries however, have not benefited much from the GSP due to cumbersome administrative procedures, rules of origin that demand a higher degree of value added than a country at an early stage of industrial development is able to produce, and additional conditions like compliance with social and environmental standards. In 2001, the EU introduced a special preference programme under the name Everything-but-arms (EBA) which offers unlimited access to EU markets for all exports of LDCs, except arms and ammunition and three agricultural commodities (sugar, rice, and bananas) for which quantitative restriction remain in place for some more years.

Whether EBA will be more effective in stimulating exports from LDCs remains to be seen. If one looks at the fine print, EBA preferences are less generous than at first sight. Complicated rules of origin limit the utilization by LDCs (the same is true for GSP utilization). Documentation is not without costs, and the requirements for minimum processing as a condition for preferential treatment can be too demanding for a small LDC that does not have integrated industries capable to perform the required processing stages in the country. Regional cumulation of processing stages required for preferential treatment is no solution because neighbouring countries may not be better equipped. Under EU rules of origin for ACP preferences, African countries are not allowed to use the cheapest inputs from Asia. And the rules of origin are not adapted to the modern forms of international production networks in which the value chain is split into ever smaller slices which can be produced in different countries depending on their comparative advantages for the different portions of the value chain. But even if the rules of origin were less restrictive, preferences cannot overcome the supply-side bottlenecks of the exporting countries and their lack of technological capacities and flexibility to meet the high quality standards of European markets. EBA and GSP are unilateral concessions of the EU, i.e. they can be removed or tied to conditions without negotiations if the EU feels that a country is making excessive use of the preferences and becomes a threat to European producers. Therefore, unilateral preferences are not a good base for major investments by the beneficiary countries. Finally, all trade preferences have the paradoxical effect that they make the beneficiary countries interested in supporting the protectionism of the preference granting country, because a general trade liberalisation would wipe out the preference margins. The fear of *preference erosion* may be exaggerated if one takes into account that the preferences are not fully utilized due to restrictive rules of origin and bureaucratic hassles.[2] But the widespread fear of preference erosion shows what negative effect preferences have for the multilateral trading system. The more differentiated preferences are granted to different groups of developing countries, the more diverse will their trade policy interests become so that they will not associate in grand coalitions for general trade liberalisation. The risk of EBA may be that it creates a feeling of complacency among LDC governments that preferential access conditions

2 “The poorest countries have often received limited benefits from preference schemes, including because preferences do nothing to address their multiple supply-side constraints. (…) But the price of preferences is continuing protection in rich countries.” UN Millennium Project, Task Force on Trade: Trade for Development, London (Earthscan) 2005, p. 6.

to the EU will always remain as they are today, but LDCs will have to cope with stiffer competition on export markets if the Doha Development Round will lead to general tariff reductions and opening of European agricultural markets and declining price levels for food in Europe. What is even worse, EBA preferences may lead to trade diversion at the expense of other poor developing countries not qualifying for the somewhat arbitrary LDC classification, e.g. India or Pakistan.[3]

5. **In view of the disappointing results of its special trade and aid relations with the ACP group of countries under the Lomé Convention since 1975, the EU is pushing the ACP countries into a radically different trade policy – reciprocal free trade – and a new concept of development cooperation which aims at increasing aid effectiveness by encouraging political reforms and mutual accountability for the results of aid programmes. In 2000, the Lomé Convention was replaced by an ACP-EU Partnership Agreement signed in Cotonou. In the framework of the Cotonou Agreement, the EU is proposing to negotiate Economic Partnership Agreements (EPAs) with regional integration agreements of ACP states that will require reciprocal market opening of the ACP states for EU exports. EPAs are to be signed before the end of 2007, and there will be a transition phase of up to 12 years (i.e. until 2020) in which ACP states have to lower their import barriers and the EU has to remove existing trade barriers against sensitive ACP exports.**

➢ The trade and aid relations with African developing countries which had been former colonies of European member states have always been governed by special agreements outside the multilateral trading system. The Lomé Convention which came into effect in 1975 and was renewed and extended until 2000, was hailed as a model for North South relations. It was seen as a way out of the aggressive debate of the 1970s on a New International Economic Order geared to increase the share of developing countries in international production and trade through various interventionist instruments that would have put world markets into a straight jacket. The Lomé Convention was based on the partnership principle and gave the ACP countries a major say in the utilization of aid resources which were provided without stringent conditions for five-year periods. There were special mechanisms for

3 S. Page, A Hewitt, The New European Trade Preferences: Does ‘Everything But Arms’ EBA Help the Poor?, in: Development Policy Review, 2002, 20 (1), pp. 91-102.

compensating ACP countries for foreign exchange losses resulting from commodity price fluctuations (STABEX and SYSMIN). The Lomé Convention offered the ACP countries non-reciprocal duty free access to EU markets for most of their export products (the European Commission states that 93 % of ACP exports enter the EU duty free, but if there were no restrictions for sensitive products, i.e. agricultural products competing with European products and some textiles and clothing items, the share of these in total ACP exports to Europe would be larger). In contrast to the high expectations associated with the Lomé model, the economic results of the Lomé Convention were rather disappointing. The share of ACP exports in total EU imports declined from 8% in 1975 to about 4% in 2000.[4] Most ACP countries were not able to diversify their exports substantially on the basis of duty and quota free access to the EU. Their indebtedness increased during the Lomé era, and their relatively low growth rates were overtaken by higher population growth rates so that the average per capita income declined and the number of absolute poor people in ACP countries increased. In fact, 40 of the 63 Least Developed Countries (LDCs) are among the ACP group of countries. Of course, this may be one explanation for the failure of the Lomé model (it had been offered to a group of relatively weak countries), however it has not contributed to pull these countries out of the LDC status.

- After taking account of the disappointing results of the Lomé model and in view of the changing international and intra-European conditions (several rounds of enlargement reduced the number of EU member states with historical ties to their former colonies in Africa), the European Commission proposed a radical change of its aid and trade relations with the ACP group of countries. With the Cotonou Agreement that came into effect in 2000, trade relations of the EU with ACP countries are undergoing a fundamental change. In order to make its special trade relations with the ACP group of countries compatible with GATT and WTO, the EU is negotiating Economic Partnership Agreements with regional groups of ACP countries which aim at reciprocal free trade between both sides to be achieved within a transitional period. The negotiations shall be concluded by the end of 2007, and ACP countries will be given a transitional phase of up to 12 years in which they shall gradually open their markets for EU exports. The European Commission stresses the positive effects the

4 Cf. O. Babarinde, G. Faber: From Lomé to Cotonou: Business as usual? Paper prepared for the Eight Biennial conference of the European Union Studies Association, March 27-29, 2003, Nashville, Tennessee, p. 10.

new trade policy will have for ACP countries: It will encourage regional integration among ACP countries, it will give these countries more secure access to European markets than unilateral preferences, it will encourage the structural adjustments necessary to make ACP countries more competitive in the global economy and more attractive locations for foreign investment.

- On the other hand, ACP governments and civil society groups in both Africa and Europe see more risks and possible negative effects resulting from EPAs. Some of the criticism seems to be relevant enough to call for a flexible approach of the EU when negotiating EPAs:

  - If ACP countries phase out their tariffs for EU imports, they may lose a major source of government revenues.

  - Domestic producers may not be able to meet the competitive challenge from tariff free imported goods from Europe and will be driven off the market. This is especially relevant if the EU will still apply its Common Agricultural Policy with the various subsidies for European farmers, and export subsidies in particular.

  - ACP countries ask whether the gains of secured and preferential access to EU markets are really worth the costs of abandoning tariffs and other import measures for European imports. This is especially relevant for LDCs which enjoy almost free access to EU markets under the EBA preferences, and other non-LDCs have to compare the access conditions under the EU GSP with the promised free trade access under EPAs. The calculation will become even more complicated if the potential general trade liberalisation is taken into account that may be a result of the ongoing WTO Round. If it would lead to a deep cut in EU tariffs across the board, all preferences (under GSP, EBA and the envisaged duty free access under EPAs) will be eroded.[5]

---

5 In fact, economists have always questioned the economic rationale of regional trade preferences compared with multilateral trade liberalisation. Regional preferences, sometimes overlapping, make the trading system less transparent and lead to trade diversion, i.e. imports from less efficient producers than would be obtained under globally free market conditions (cf. N. Limão, M. Olarreaga: Trade preferences to small developing countries and the welfare costs of lost multilateral liberalization. Washington 2005 (World Bank Policy Research Working Paper No. 3565). In addition to that, negotiating regional trade agreements absorbs scare negotiating capacities especially of LDCs, and it diverts their interest from the multilateral trade negotiations under GATT and WTO where ACP countries find themselves in the awkward position of resisting universal trade liberalisation because that would erode their preferences for exports

The EU must take the fears of ACP countries seriously when negotiating with them on EPAs. The EU will have to be generous and give them more room for exceptions from free trade to protect domestic interests, especially in agriculture where the viability of small farmers and food security is extremely relevant for the general goal of poverty alleviation. And the EU will have to provide more funds for complementary aid for trade programmes which should compensate poor ACP countries for the losses through preference erosion, facilitate their structural adjustment to increasing international competition and improve their infrastructure and administrative capacities to benefit more from new trading opportunities.

6. **If one extrapolates the disappointing experience with the Lomé preferences, it seems unrealistic to expect that the new approach of reciprocal free trade between the EU and regional groups of ACP countries alone will make them vibrant export economies. Massive and well targeted development assistance will be needed to avoid that the complete opening of ACP countries for EU imports required by EPAs will end up in disaster. In fact, the EU plans to increase its aid allocated to trade development. In addition to that, the reform of the Common Agricultural Policy must be accelerated not only to pave the way for a successful conclusion of the Doha Development Round but also to avoid that ACP countries opening their markets for EU-imports will be flooded by artificially priced European agricultural products.**

- More and better focused aid for trade will be necessary to overcome the supply side bottlenecks of less developed countries. The EU claims to be the largest single donor in the field of trade-related assistance. At present, the Commission's trade-related development assistance amounts to about € 800 million p.a. (2004: € 900 million). It was promised in 2005 to increase it to € 1 billion p.a. for 2007-2013. In the European Council Statement "The EU and Africa: Towards a Strategic Partnership" (19 December 2005), the figure is projected to reach € 1 billion pre year by 2010 (para. 7.d). In addition to that, member states have also promised to increase their bilateral trade-related development assistance to € 1 bn by 2010. At that date, the total European (bilateral and Community) aid for trade volume would reach € 2 bn.

to the EU. (This assessment depends, or course, on the perspective for a successful conclusion of the Doha Round and the viability of the multilateral trading system in comparison with the rising tide of regional trading agreements.)

- In their Joint Report on Trade Related Technical Assistance and Capacity Building (TRTA/CB), the WTO and the OECD provide the following definitions: "*Trade Policy and Regulations* covers support to aid recipients' effective participation in multilateral trade negotiations, analysis and implementation of multilateral trade agreements, trade policy mainstreaming and technical standards, trade facilitation including tariff structures and customs regimes, support to regional trade agreements and human resources development in trade. *Trade Development* covers business development and activities aimed at improving the business climate, access to trade finance, and trade promotion in the productive sectors (agriculture, forestry, fishing, industry, mining, tourism, services), including at the institutional and enterprise level."[6]

7. **The reform of European trade policy and development cooperation with Africa takes place in a rapidly changing global environment. Trade policy is only one among several factors shaping global markets. The strategic operations of multinational companies and international production and marketing networks organised by shifting coalitions of independent companies have to be taken into account by both trade policy and aid programmes for trade development. China's rising star over Africa will reduce the leverage of the EU's trade and aid policy with African governments. And, finally, the development community searching for programmes and instruments for stimulating growth and diversification of African exports should keep in mind that the limits to growth which are becoming more and more visible these days in rising energy prices and melting glaciers will make it ever more difficult for poor countries to copy the production and consumption patterns of the OECD countries or the East Asian NICs. The paradigm shift from economic growth to *sustainable development* had been ratified by all nations participating in the 1992 UN Conference on Environment and Development (UNCED) in Rio, but with the Millennium Declaration, poverty alleviation has become the overarching aim of development cooperation, and the development community tends to overlook the limited capacity of *Spaceship Earth* to carry all passengers on a decent level.**

6 WTO / OECD: 2005 Joint WTO/OECD Report on Trade-Related Technical Assistance and Capacity Building, December 2005 (http://tcbdb.wto.org), p. 7.

- An important issue for trade-related development assistance will be how to link African producers whether in agriculture, manufacturing industries or services to the international production and marketing networks organised by multinational companies and more flexible coalitions of individual firms in many countries. An increasing share of international trade takes place in intermediate goods shipped from one country to the next in which another production step in the value chain takes place. East Asian NICs have been integrated in these international value chains producing and assembling sophisticated goods for which design, quality, technology, conformity with international standards and norms and security of delivery play an ever more important role. African countries have remained outside the game. There is no incentive yet for global industries to look to Africa for outsourcing. FDI in Africa takes place only in extractive industries and in processing of agricultural products. Even exports of African textile and clothing industries that had been established in view of the import quotas given to each developing country under the Multifibre Arrangement are threatened now by exports from China, India and Bangladesh when these quotas are being phased out. If China and the other East Asian countries can cover much of the world's demand for standard manufactured goods and the old industrial countries care for the upper end, what niche will there be for Africa? Is the same strategy appropriate for every country? Will African countries have to rely less on manufactured exports and more on other engines for growth?

- Finally, there seems to be increasing competition for economic and political influence in Africa. The EU is not the only trading partner and donor. China's shadow over Africa is becoming larger and, possibly, darker. China is searching around the world for the raw materials it needs to feed its rapidly growing industries (China = workshop of the world). China does not share of the established donor community's commitment to political goals like good governance, rule of law, respect for human rights, sustainable development etc., and its hunger for commodities gives African governments who feel bullied by the Western donors some room for manoeuvre to avoid the reforms advocated by the EU and other Western donors.

- With rising oil prices, and the risk of even higher price levels for energy, and with the indisputable indications of irreversible climate change, the imperatives of sustainable development will rise again on the agenda of international development. One should not forget that the goal of *sustainable development* has been enshrined in the preamble of the WTO, and all aid for trade programmes have to be designed and evaluated with respect to that goal.

## References

Babarinde, O. / G. Faber: From Lomé to Cotonou: Business as usual? Paper prepared for the Eight Biennial conference of the European Union Studies Association, March 27-29, 2003, Nashville, Tennessee, p. 10.

Birdsall, N. / D. Rodrik / A. Subramanian: How to Help Poor Countries, in: Foreign Affairs, Vol. 84, 2005, No. 4, pp. 136-152.

Brenton, P.: Integrating the Least Developed Countries into the World Trading System: The current impact of EU preferences under Everything But Arms, Washington (World Bank. International Trade Department) February 2003

Cernat, L. / S. Laird / L. Monge-Roffarello / A. Turrini: The EU's Everthing But Arms Initiative and the Least-developed countries, Helsinki, WIDER Discussion Paper No. 2003/47, June 2003

Commission for Africa (UK, Chair: Tony Blair): Our Common Interest. Report of the Commission for Africa, London 2005

Council of the European Union: The EU and Africa: Towards a strategic Partnership, Brussels, 19 December 2005 (15961/05)

Development Committee (World Bank and IMF Board of Governors): Doha Development Agenda and aid for trade, September 2005 (DC2005-0016)

European Commission: Making trade work for development, Brussels 2005 (Internet)

European Commission: Consultation on the future of EU development policy. Issues Paper, January 2005

European Commission: 'The European Consensus on Development'. Joint Statement by the Council, the European Parliament and the Commission, Brussels 2005

Evenett, S.J.: Some tough love on "aid for Trade", paper forthcoming in Intereconomics

Hoekman, B.: Making the WTO more supportive of development, in: Finance & Development, march 2005, pp. 14-18

Hoekman, B. / S. Prowse: Economic policy responses to preference erosion: From trade as aid to aid for trade, Washington September 2005, (World Bank Research Working Paper 3721)

Karingi, S. et al.: Economic and welfare impacts of the EU-Africa Economic Partnership Agreements, UN Economic Commission for Africa, no date

Limão, N. / M. Olarreaga: Trade preferences to small developing countries and the welfare costs of lost multilateral liberalization. Washington 2005 (World Bank Policy Research Working Paper No. 3565

Morton, B. / A. Weston: Trading for Development: Developed countries' responsibilities under MDG8, Trocaire Development Review, Dublin, 2005, pp. 85-102

OECD/DAC: Special DAC Meeting on Aid for Trade. Background Not, Paris, October 2005 (DCD/DAC(2005)41

Oxfam: Scaling up aid for trade: how to support poor countries to trade their way out of poverty, Oxfam Briefin Note, November 2005

Page, S. / A Hewitt, The New European Trade Preferences: Does 'Everything But Arms' EBA Help the Poor?, in: Development Policy Review, 2002, 20 (1), pp. 91-102.

Panagariya, A.: Aid through trade: An effective Option? Revised version August 2003 (Internet)

Prowse, S.: "Aid for Trade". Increasing support for trade adjustment and integration – a proposal, 3 June, 2005 (Internet)

South Centre: Aid for Trade, T.R.A.D.E. Policy Brief No. 2, November 2005

UN Millennium Project, Task Force on Trade: Trade for Development, London (Earthscan) 2005

USAID: Integrated Framework Simulation. Final Report, October 2005 (Internet)

Vandemoortele, J. / K. Malhotra / J.A. Lim: Is MDG 8 on track as a global deal for human development? New York (UNDP – Bureau for Development Policy) June 2003

WTO / OECD: 2005 Joint WTO/OECD Report on Trade-Related Technical Assistance and Capacity Building, December 2005 (http://tcbdb.wto.org)