

TRADE POLICY FRAMEWORK REVIEWS

HARNESSING THE POTENTIAL OF TRADE FOR INCLUSIVE GROWTH AND SUSTAINABLE DEVELOPMENT

GLOBAL CONTEXT

International trade is an engine for economic growth that can contribute to promoting sustainable development. It can be a powerful force for creating jobs, fostering efficient use of resources, stimulating entrepreneurship and ultimately lifting people out of poverty. Many developing countries, though, have limited capacity to analyse the relationship between trade, productive capacity and employment, assess policy options and formulate and implement adequate national trade policy frameworks. This hampers their ability to make full use of the transformative power of trade for development.

UNCTAD's Trade Policy Framework Reviews help countries in a systematic, comprehensive and strategic manner. The Reviews focus on identifying key sectors for diversification with the potential to bring higher economic value, setting the right trade policies to back up those development priorities and establishing a trade policy framework to ensure effective implementation of such strategies. The aim is for Trade Policy Framework Reviews to contribute to the (re)formulation and implementation of national trade policy regimes according to a country's own needs. The Reviews, via activities and workshops, provide the tools to policymakers in developing countries and transition economies that enable them to set their own priorities, make impact assessments of different policy options and devise the best actions, including at the sectoral level.

HOW ARE THE LINKS BETWEEN TRADE AND SUSTAINABLE DEVELOPMENT MADE?

A Review is initiated at the request of Governments. The counterpart ministry or agency is involved throughout the process and takes ownership of the policy recommendations.

The first level of intervention consists of analytical and advisory support to raise awareness and enhance understanding on the link between trade and development and poverty. The next step consists of training activities to enhance the expertise of government officials involved in the formulation of national trade-related policies. Lastly, the third level of intervention focuses on concrete and hands-on support to the formulation of national trade policy – to best reflect the country's priorities and needs – and facilitating multi-stakeholder consultation towards its adoption and implementation.

RESULTS AND IMPACT AT A GLANCE

- Based on UNCTAD's work, in 2010 Rwanda adopted a new comprehensive trade policy framework.
- Following on the Trade Policy Framework Review prepared by UNCTAD, Jamaica is in the process of adopting a new trade policy framework.
- In Angola, after a workshop organized in 2014 to validate the Review, the Government is now expected to submit its trade policy framework to the Council of Ministers for approval and for implementation to begin.

PROGRAMME FACTS AND FIGURES

Trade Policy Framework Review programme scope: all regions

Programme start date: 2013 (updated methodology); late 1990s (original approach)

Reviews per year: 2 (average)

Number of Reviews to date: over 40 country/regional assessments of overall (or sectoral) trade policies

Upcoming Reviews: Algeria, Botswana, the Dominican Republic, Namibia, Panama

DONORS/ FUNDING SOURCE

Current: United Nations Development Account

Past: United Nations Development Account