



# *Facts on Global Reform*

Office of the United States Trade Representative  
Doha Development Agenda Policy Brief – December 2005

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## ***Building Capacity in the Developing World: A Sustained Commitment to Aid for Trade***

Countries that participate in international trade develop out of poverty faster than those that do not. But many countries, particularly the least developed ones, are not active in international trade because they lack the capacity to take advantage of trade opportunities. The donor community provides these countries “aid for trade” to build up this capacity. The United States is committed to this goal and provides more aid for trade than any other country in the world.

### **What is Aid for Trade?**

- Aid for Trade is a phrase for “opportunity.” It’s about giving the least trade active countries the help they need to be a part of the global trading system. Because if countries can trade in a sustainable way, they will emerge from poverty.
- Aid for Trade is about giving least developed countries the opportunity to participate in negotiations, so that they can make decisions about the benefits of trade deals. It is about assisting them in implementing their obligations so they can export and attract foreign investment. And it is about addressing broader transition issues and so rural areas, small businesses and women entrepreneurs benefit from ambitious reforms in trade rules that are being negotiated in the World Trade Organization (WTO).

### **U.S. Commitment**

The United States joined other G7 countries in announcing that it expects spending on aid for trade to increase to \$4 billion. We are committed to work with the international community to reach this goal so that all countries follow the United States’ lead in making aid for trade a priority. We are currently the largest single-country provider of trade-related assistance, which includes trade-related physical infrastructure assistance, with activities totaling \$1.34 billion in 2005, up 46 percent from (\$921 million) in 2004, and more than double our 2001 assistance. We also support trade-related technical assistance provided by the WTO to help developing countries participate in those negotiations, and have contributed almost \$5 million to the WTO’s Doha Development Agenda Global Trust Fund for this purpose.

The United States Agency for International Development (USAID) helps developing countries do things like identify markets for their products; streamline customs operations and procedures; meet food safety requirements of other countries; improve trade and investment laws so small businesses can trade internationally; and diversify their agricultural sectors.

The United States’ Millennium Challenge Corporation (MCC) gives selected countries the opportunity to apply for hundreds of millions in grants to fund their proposals for reducing poverty and spurring economic growth. This includes building or rehabilitating roads and ports so countries can get their goods to international markets.

For more details, see the U.S. Government brochure entitled “Participation, Empowerment, Partnership: Seeking Sustainable Results through U.S. Trade Capacity Building” available on the USTR.gov website.