



USAID and Trade Capacity Building

Brinton Bohling EGAT - Trade and Investment Team Thursday, April 15, 2010



Part I. Policy rationale for providing TCB Assistance

Part II. Defining TCB



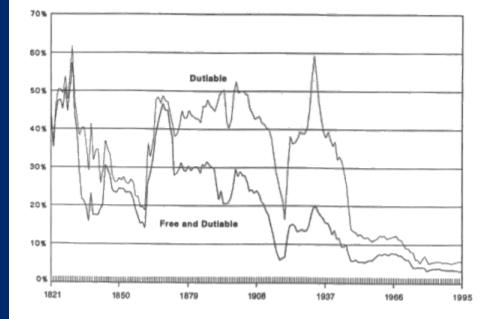
Part III. Examples & Field Work

Part I: Policy Rationale for TCB

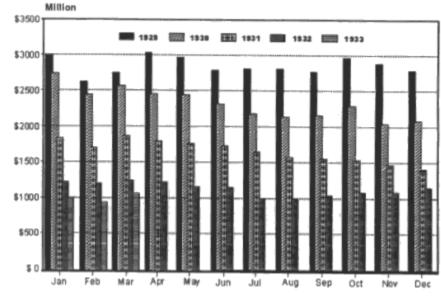
Why worry about International Trade?



Smoot-Hawley Tariff Act of 1930



Collapse of World Trade Following Smoot-Hawley



Source: League of Nations



What have we learned about trade since then?



Why does trade policy get a bad rep?



The Political Economy of Trade Policy

- Economies are constantly evolving. Factories open and close, products are popular and unpopular.
- At any given time, it is possible to point to groups allegedly hurt by trade.
- Pain is immediate and focused, benefits are progressive and diffuse.
- Adjustments hurt other than labor factory owners, investors, and banks.
- Sometimes these voices hide behind the poor.
- **Poor have little voice**. Ask yourself whose voice you are hearing.



Why Provide Trade Assistance?

What is the development agenda?



How Trade Advances the Development Agenda

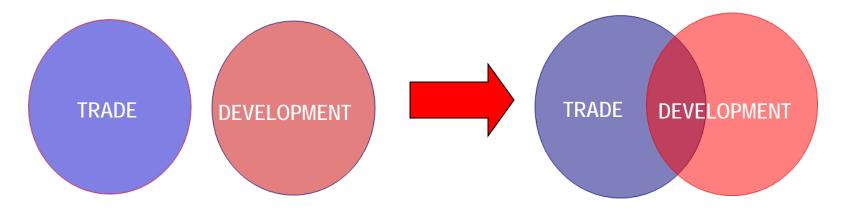
- If you are interested in poverty reduction, you need to be interested in trade
 - For most poor people, labor is the most significant or the only asset they possess.
 - trade is beneficial because it raises the value of unskilled labor.





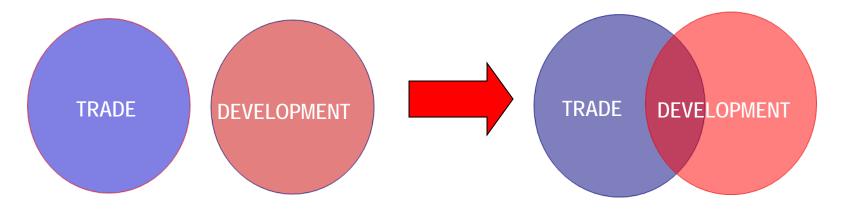
Trade Agenda and Development Agenda

• Where do you see Trade Policy Agendas and Development Goals overlapping?



Trade Agenda and Development Agenda

- TCB is valued by trade policy agency since USAID assistance advances the trade agenda by helping developing countries participate in market-opening trade negotiations.
- The Development Agenda benefits from trade reforms and more open markets. Food security is an example.



Know-how is valuable in a number technical areas of international trade





Shipping / Logistics



Reducing Paperwork



Raising Awareness of Trade Agreements



Investments in training to raise productivity

Understanding International Buyers



How does the U.S.G Define Trade Capacity Building?

Building Trade Capacity in the Developing World





U.S. Agency for International Development March 2003

D-A6X-241

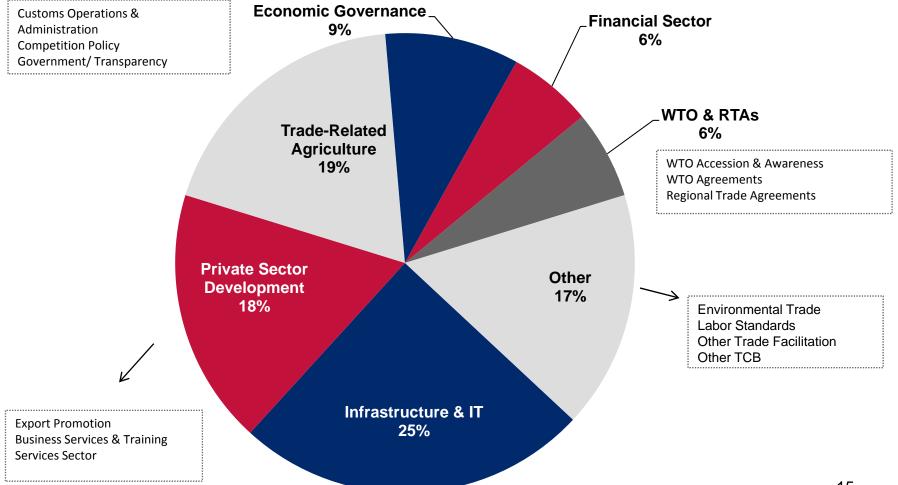


Defining TCB: Triple Layer Cake

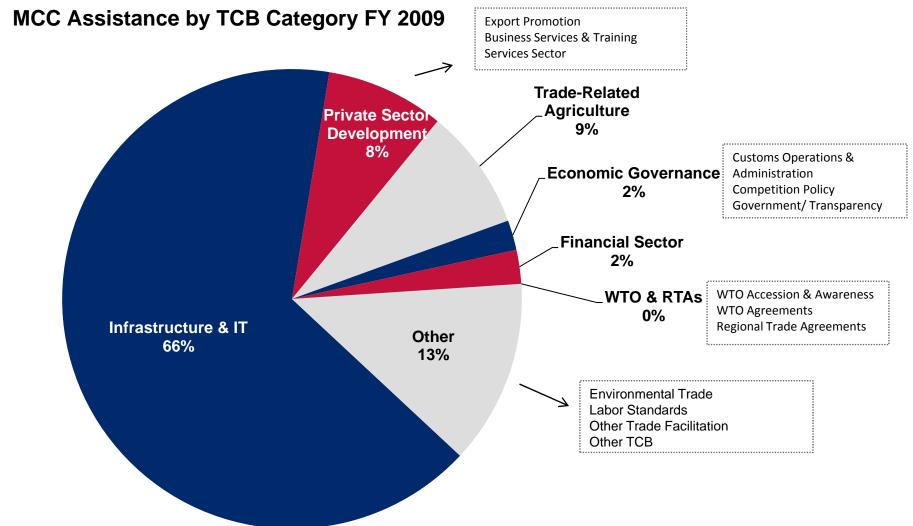




USAID Assistance by TCB Category FY 2009

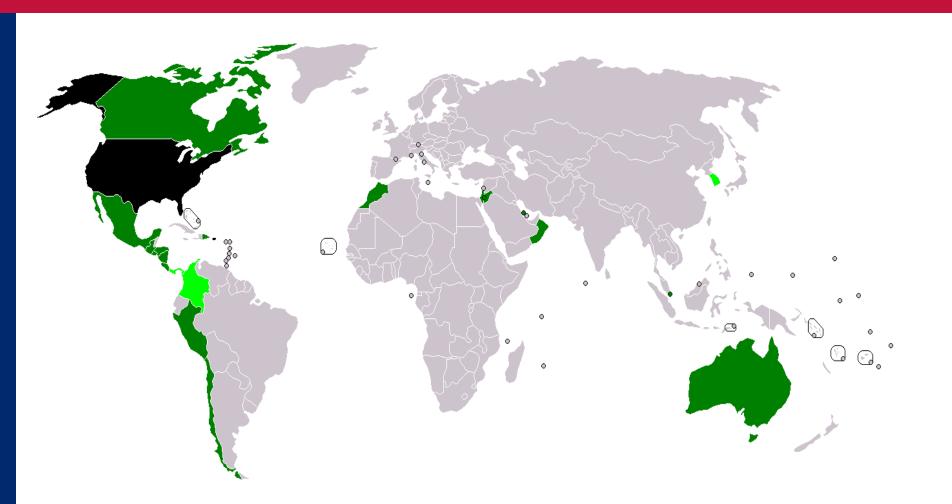






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Participation

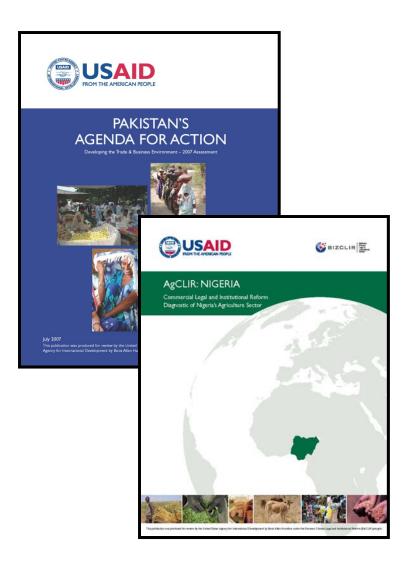


US Free Trade Agreements—existing and pending

Opportunities









Implementation









WORLD INTELLECTUAL PROPERTY ORGANIZATION





