

Challenges in assessing the Trade Impact of Aid for Trade

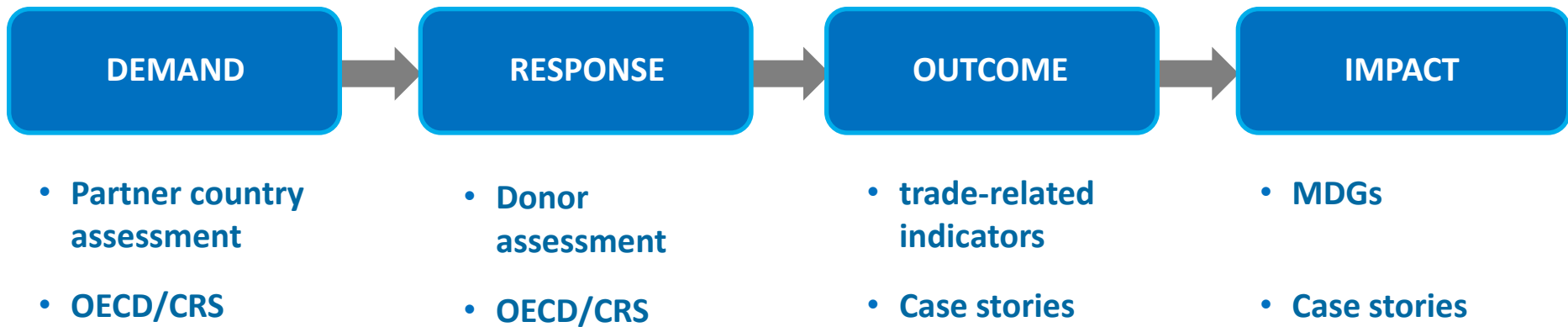
Evaluation and Assessment of the
Trade Impact of Aid for Trade
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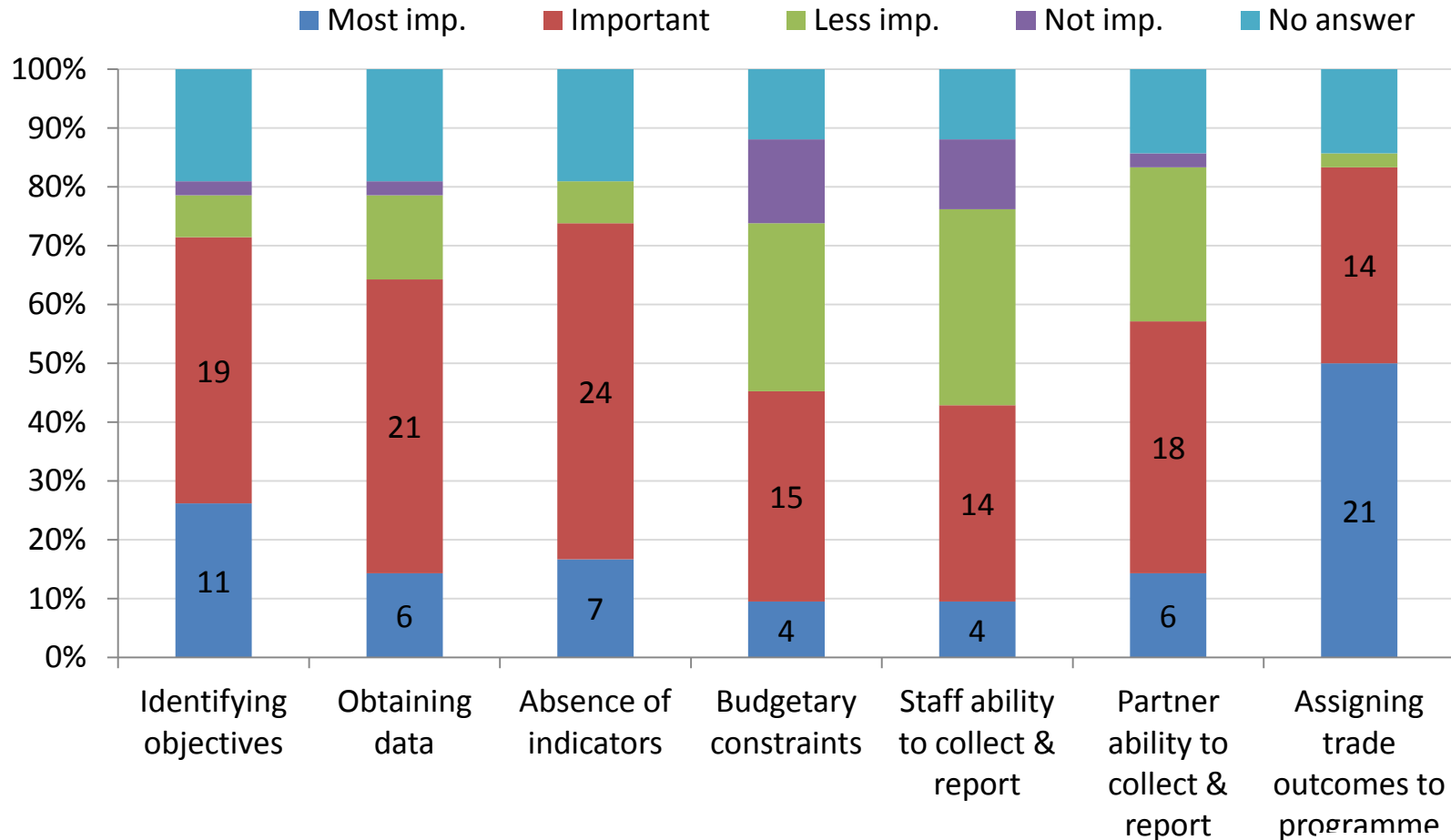


The Aid-for Trade Initiative

Using Existing Mechanisms



Assigning Trade Outcomes



Assigning Trade Outcomes

- EU's programme monitoring focuses on output and possibly outcomes, but it “does not consider it realistic to monitor trade impacts of specific aid programmes because of the important number of external factors influencing trade.”
- *Sweden: At project and programme level it is usually not possible to attribute higher level outcomes and impacts to Swedish contributions, and the evaluators argue that trying to do so would not be a meaningful exercise in most cases. The problem is a methodological one.*

Assigning Trade Outcomes

- **US:** “Because success in trade can involve so many variables... it is very difficult to monitor results in this area and attribute results to specific programs. Our discussions have focussed on sharing lessons learned and best practices, which we think is the most productive approach.”
- **World Bank:** “The field still relies excessively on outdated methods compared to other fields of development work. An energetic push for the adoption of impact evaluation techniques and their mainstreaming in project design is needed.”

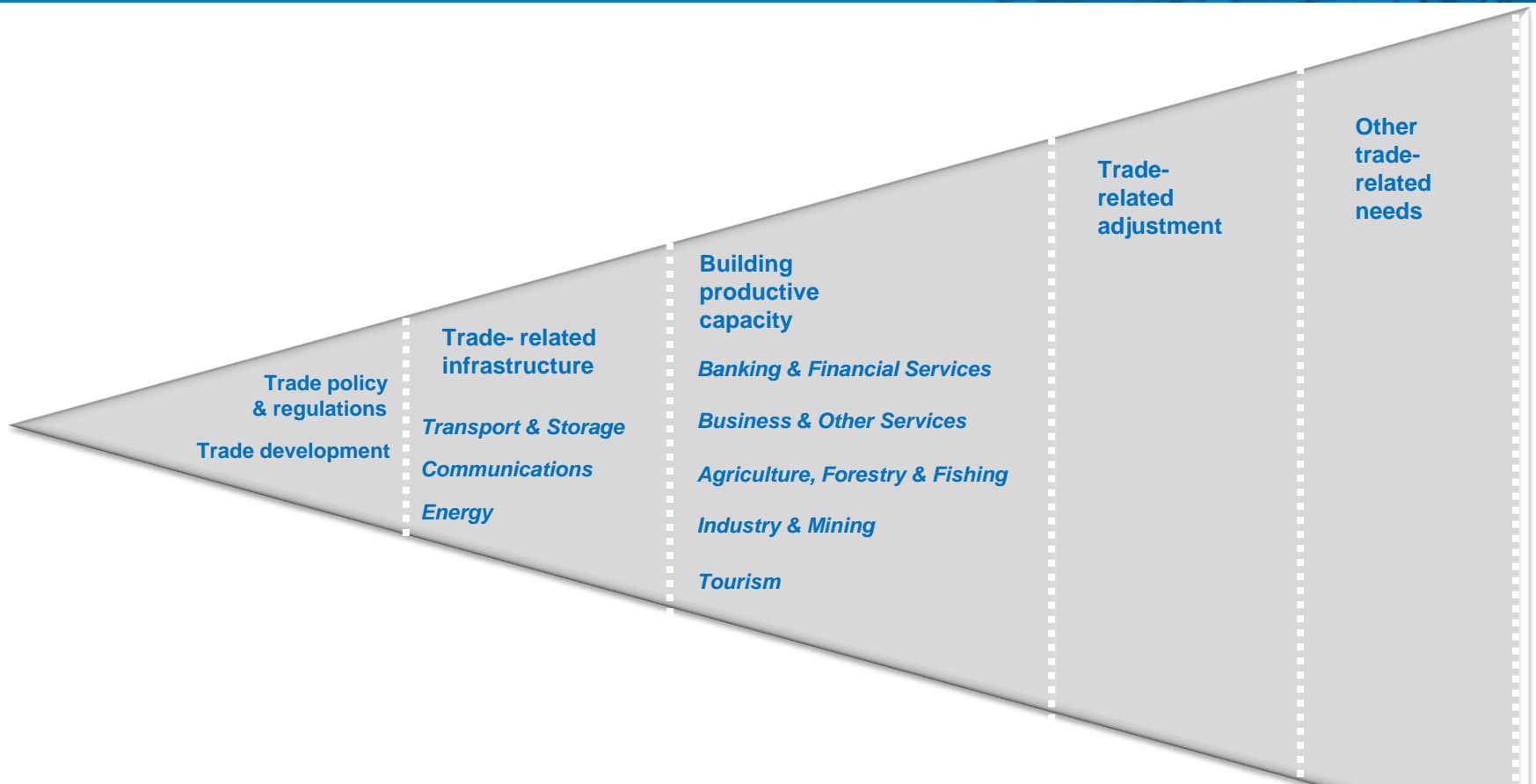
What do we expect from evaluation?

Too much?

- **Accountability**
- **What works and what doesn't**
- **Sequencing of interventions**
- **Improving project design and implementation**
- **Help partners to develop their priorities and strategies**
- **Using micro-level results to demonstrate impacts at the country, regional and global level**

What are we evaluating?

An Expanding Agenda

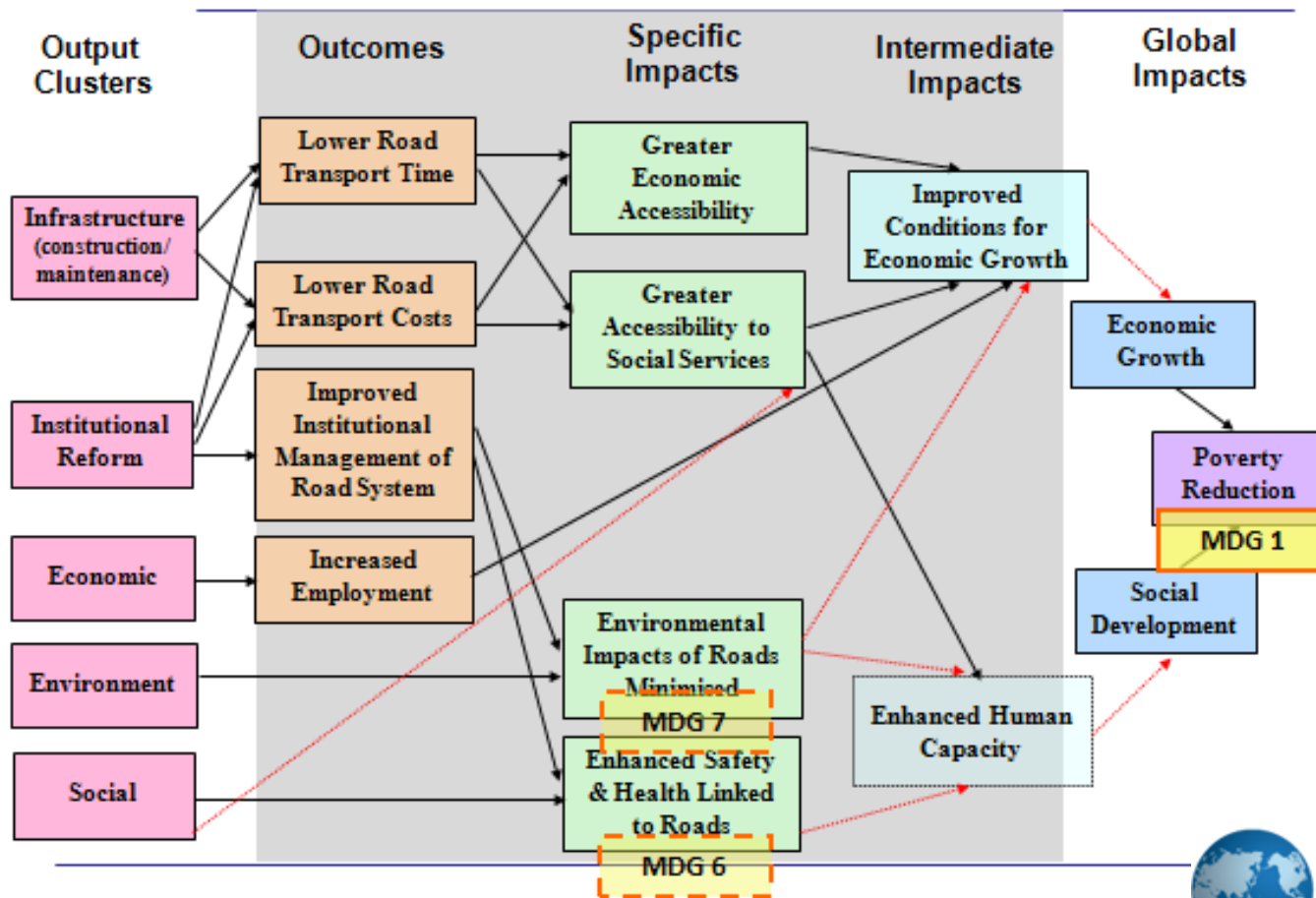


Conceptual difficulties

Too many?

- Attribution problem
- The results chain
- The missing middle between outputs and impacts
- Timing of impacts
- Behind the border issues and flanking policies
- Findings not always generalisable

An Example



Impact Evaluation for Trade

- **Randomised Control Trials**
- **Promising application to some areas such as Trade Promotion**
- **Limited potential in other areas of the aid-for-trade agenda**

Aggregate Studies on Aid for Trade

- **Several Studies**
- **ODI, Wilson et al, UNECA**
- **Specific estimates and rates of return**
- **Robustness/Usefulness/Policy Implications**

Conclusions

- Evaluation objectives need to be considered in the planning of interventions, developing ex-ante assessment and establishing baselines.
- Evaluation needs to be undertaken in a collaborative manner
- Agencies are developing aid for trade evaluation frameworks (DfID, IADB), performance assessment frameworks (OECD) and working on impact assessment (WB, MCC)

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