

# **Aid for Trade Indicators**

## **The European Commission experience**

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**EuropeAid - Business, Trade and Regional Integration**

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# Indicators – what are we talking about?

- Indicators useful but related to a context:  
What to measure and why?
- Assessing progress on Aid for Trade at different levels:
  - “Global” level (ex. donor Aid for Trade strategy)
  - Country level
  - Programme/project level



# From programmes to country-level performance

**Country-level trade strategy**  
(increased trade, job creation, growth...)

**External factors**  
(financial crisis, fluctuation  
in commodity prices, trade  
policies...)

**Private sector  
investments**  
(domestic, FDI)

**Project B**  
(donor Y on trade policy)

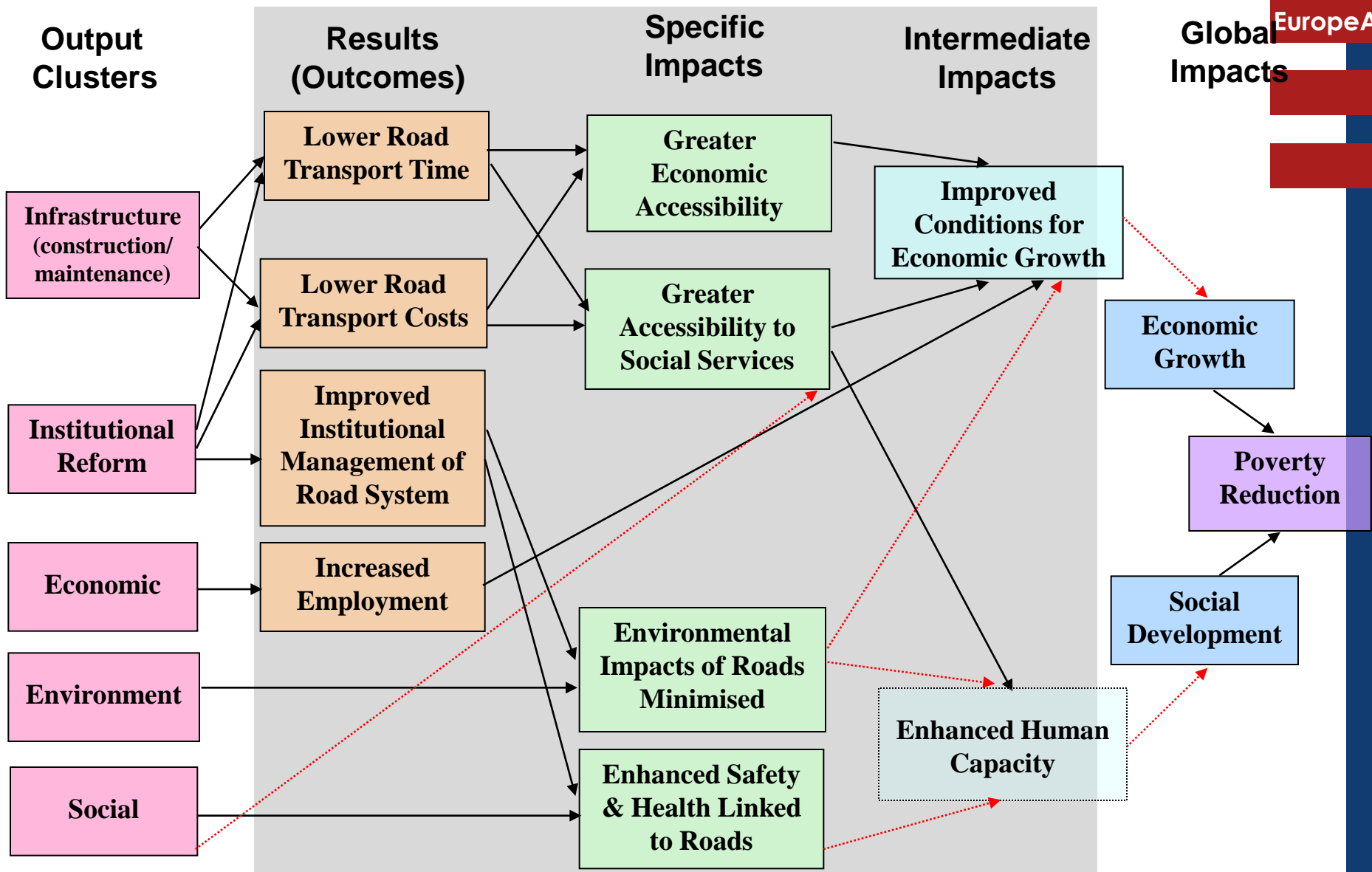
**Project C**  
(donor z on  
customs)

**Project A**  
(donor x on transport)

**Project D**  
(partner country on  
industrial parks)

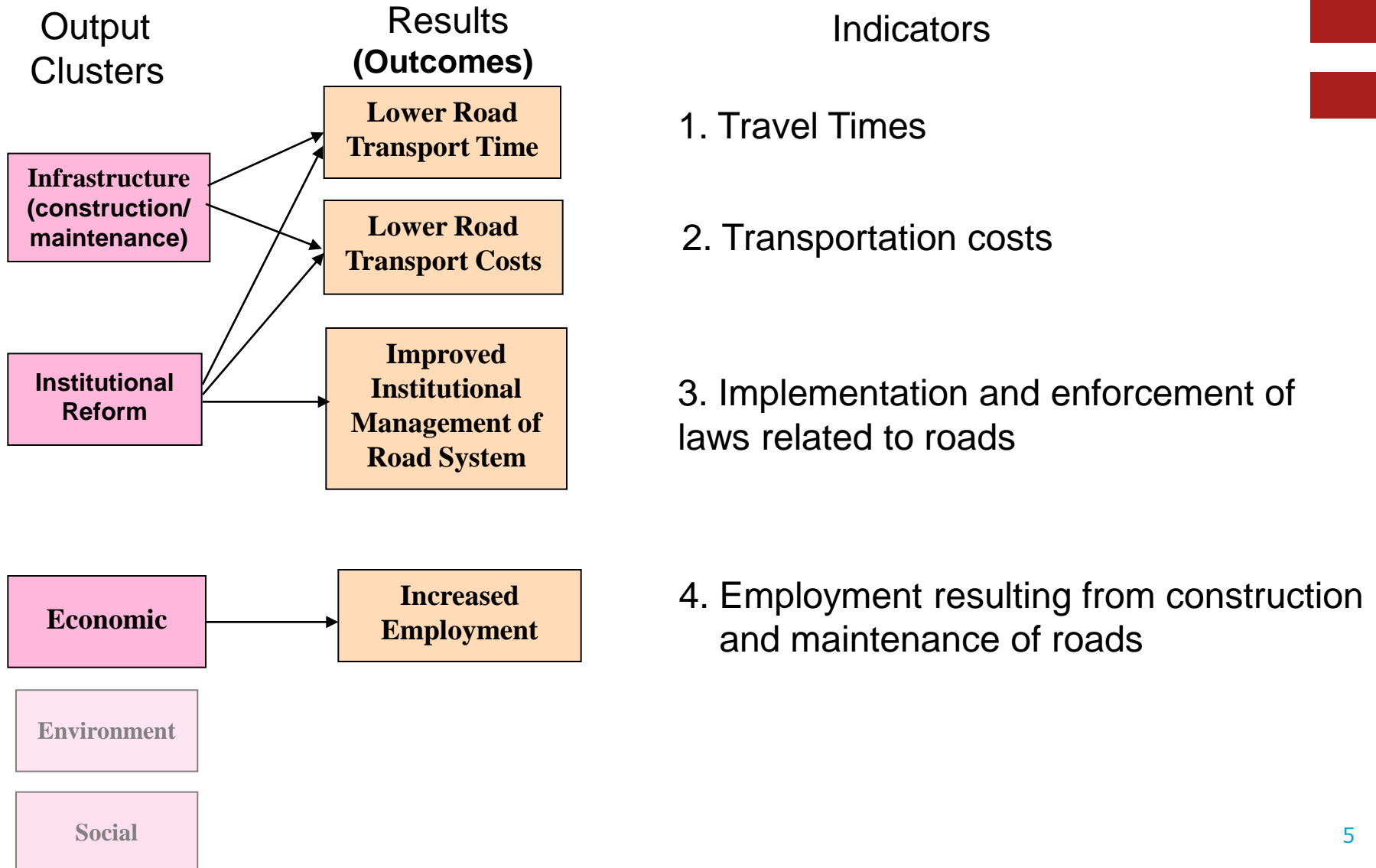


# Example of intervention logic in the road sector



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# Example of the road sector: short- term outcome indicators



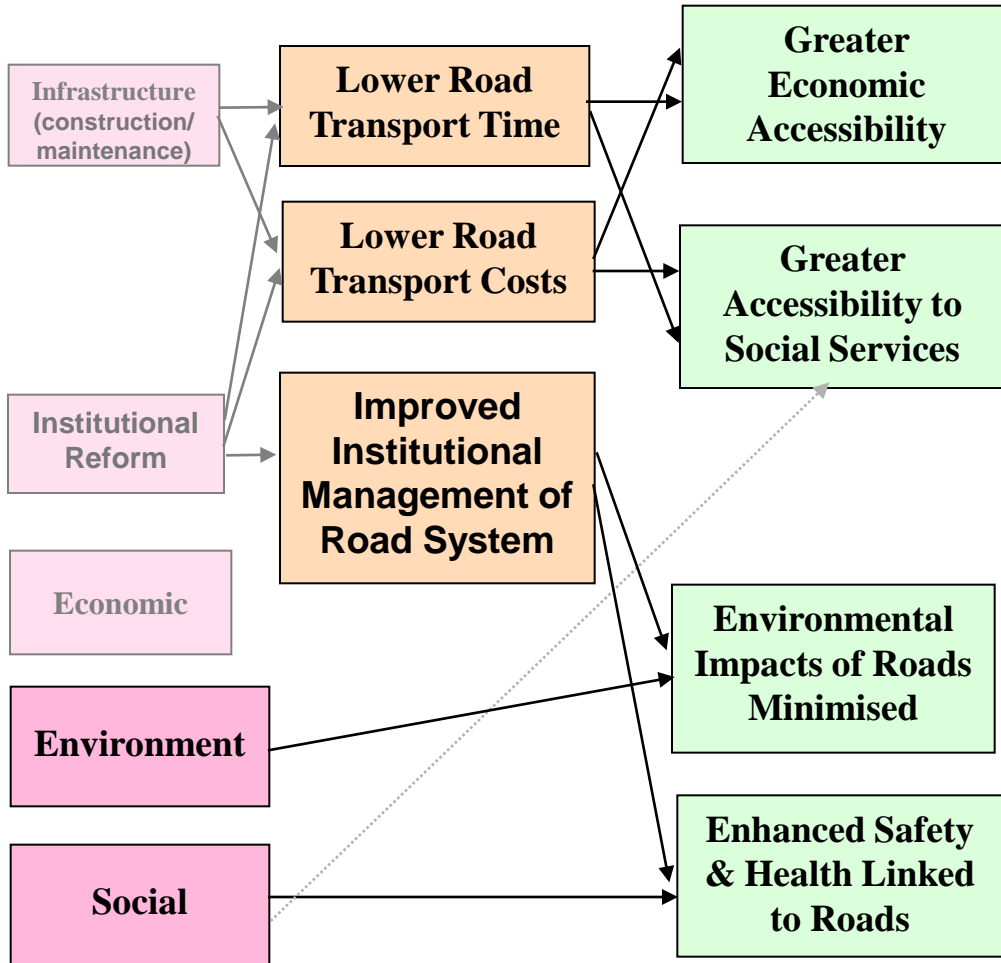
# Example of the road sector: “Medium term” outcome indicators

Output Clusters

Results (Outcomes)

Specific Impacts

Indicators



5. Access to roads
6. Use of public transportation
7. Business productivity
8. Access to social services
9. Environmental effects of road system
10. Road deaths and injuries
11. Disease transmissions influenced by improved mobility

# Trade and Private Sector Development: examples of programme indicators

<b>Results</b>	<b>Indicators</b>
The BDS market is developed and expanded	<ul style="list-style-type: none"> <li>- Market size, demand: Number of MSMEs purchasing BDS</li> <li>- Market size, supply: Amount of annual sales of BDS</li> <li>- Market penetration: % of MSMEs accessing BDS services</li> </ul>
Processes to register and to close a business shortened and simplified	<ul style="list-style-type: none"> <li>- Reduction in no. days required to register/ to close a business</li> <li>- Reduction in the no of documents and procedures required to register / to close a business</li> <li>- Reduction in costs (fees to be paid) to register/ to close a business</li> </ul>
IPR institutional capacity building	<ul style="list-style-type: none"> <li>- Number of officials trained in search and examination techniques and provided with automation tools</li> <li>- Increase in registrations in Trademark , Industrial Designs and other Databases</li> </ul>

# Aligning indicators to trade strategies: the sector approach

- Sector approach ensures appropriate alignment
- Sector strategies vary significantly across countries (no standard)
- “Sector” definition broad and partner country focus specific to identified priorities
- Indicators: mix of process and output/outcome indicators in policy dialogue



# Indicators – Ghana example, Key PSD indicators

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Purpose/Output	Performance indicator	Baseline N	N+1	N+2	Sources
Enhance competitiveness	WB CPIA scores for competitiveness	3,4	3,6	3,8	WB CPIA reports
Efficiency nat. market	Number of days for resolution of commercial disputes	200	195	185	Doing Business
Firm Competence and capacity	Business competitiveness index	64	63	60	World Ec. Forum
Government capacity	Number of IO participating in policy formulation	0	5	10	www.busac @busac.org

# Indicators – Dominica example, Key PSD indicators

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P1: First draft of National Investment Strategy launched,. (strategy not in place at the time of the preparation of the GBS)

Final draft of NIS adopted.

P2 An Action plan for the Restructuring of National Development Corporation approved by Cabinet,.

Legislative instruments for the new structure of the NDC approved by Cabinet.

P3: A framework for the Investment Promotion Authority operational approved by Cabinet.

IPA fully operational with staff in place.

P4: Days to process investment reduced from 60-30 days verified by the PCU

Reports/Reform Management Unit.

Days to process investment reduced from 30-25 days verified by the PCU

Reports/Reform Management Unit.

P5: Modernisation and financing Plan for a semi-autonomous Registry developed,

Semi-autonomous Registry established.

# Aggregating results across projects: the EC experience of standard indicators

Pilot use of standard indicators in 2007-2009

In selected sectors, including road transport:

- % of rural access to roads
- % of road network in good or fair condition
- number of Km maintained, rehabilitated, constructed

Objective to aggregate results from different projects

Mixed results: not sufficiently integrated in national systems, not sufficiently linked to project expected results, lack of “critical mass” of projects, lack of reliable statistics

## Issues for discussion

- Variety of results, difficult definition of relevant indicators and quantifying them
- Use of short list challenging (AfT a broad concept)
- Improve the “menu” of indicators?
- Work on indicators per sector (linked to CRS codes)?