

**STATEMENT DELIVERED BY DOROTHY TEMBO,  
EXECUTIVE DIRECTOR of the EIF EXECUTIVE SECRETARIAT  
AT THE MC7 EIF EVENT  
1 DECEMBER 2009  
GENEVA**

The Director General of the WTO,  
Honourable Ministers,  
Excellencies, Heads of Delegation and Missions,  
Ladies and Gentlemen,

I am honoured to join you this morning slightly a year after my appointment as Executive Director to share with you the progress that we have made in implementing the EIF programme, as well as share with you our vision of the way ahead and the milestones we need to achieve.

The establishment of the EIF Task Force by the IF Steering Committee in 2005 marked a major turning point for the EIF. Recommendations were made to make the programme more owner-driven and result-oriented.

As of July of this year, the programme became effectively operational, with the necessary key administration instruments in place and with the EIF interim Board approval of the first two Tier 1 projects for Yemen and Sierra Leone aimed at strengthening the in-country National Implementation Arrangements. This was accompanied by an induction workshop held in Geneva during the same month for all key EIF partners.

Since then, an additional five Tier 1 projects for Cambodia, Liberia, Malawi, Rwanda and Uganda have been approved. Furthermore, three Diagnostic Trade Integration Studies for Afghanistan, the Democratic Republic of the Congo and Togo, which are to be undertaken by the World Bank through a special arrangement, have also been approved, bringing the total resources committed to US\$7,982,659.

An additional 20 projects, six of which are related to pre-DTIS activities, are in the project pipeline. Fifteen of these projects will be submitted for the Board's approval by the end of this year, and the remaining five will be approved in the first quarter of 2010. The total funding commitment for the 20 projects amounts to US\$14,300,000, bringing the anticipated total commitment by the first quarter of 2010 to approximately US\$22 million. This figure does not include financing for Tier 2 projects expected to commence in the first quarter of 2010. By the end of 2010, we will deliver Tier 1 approvals for the remaining 20 beneficiary countries. By the second quarter of 2010, the Executive Secretariat will have developed and delivered monitoring and capacity- building modules for all the 13 countries in the first phase of this work, as well as assisted them in preparing the baseline from which we will measure the success of the country programmes. We will also deliver a minimum of

15 Tier 2 projects in 2010. All this will, however, only be achieved if the necessary financing is made available and the Executive Secretariat is allowed to function effectively and efficiently.

With regard to the funding aspects, the Trust Fund currently stands at US\$69 million, of which US\$24 million was transferred from the old IF Trust Fund. Thus, we have received US\$45 million out of the US\$123 million pledged in Stockholm.

Assuming all pledges are fulfilled and disbursed in 2010, financial projections indicate that the funds are only sufficient until the end of 2011. It is important therefore that a review is undertaken, early in 2010, to re-evaluate the total resources needed over the next five years to take into account the fact that there are now more LDCs in the programme, that the EIF is now an important component of Aid for Trade and that the value of the dollar has depreciated against other major currencies.

The proposed review will also commission a resource mobilization strategy to secure the delivery of the Stockholm pledges and any future funding recommendations.

For the EIF to be sustainable and successful, it is absolutely essential that trade is mainstreamed into national plans and programmes in a practical way and to ensure that this mainstreaming is visible. This means that LDCs have to ensure that there is a commitment at all levels, starting at the top political level, to the effective implementation of the EIF programme. It also means that LDC Governments need to send a clear message that ownership of the programme is firm at the national level by integrating EIF activities into national strategies and budgets. Appropriate linkages with all the relevant institutional structures must be established and strengthened just as coordination between various Government agencies and the private sector must be effective.

It is important that the Donors ensure that coordination between their capitals and in-country offices is strengthened. Donor support must progressively be realigned to reflect the trade mainstreaming aspects. The Donor Facilitator is critical in this respect, and as part of the review of the EIF, the role has been considerably enhanced and demands serious commitment in order to ensure that working with the respective Governments, the delivery of the required financial resources is attained, particularly in the face of the financial crisis.

On the Agency side, it remains important that Agencies continue to support the implementation of the programme in-country on the basis of the needs identified and as prioritized by the recipient countries.

In certain instances, special attention may have to be paid to countries with special situations, such as those coming out of conflict, and those involved in the accession process demand flexibilities to be exercised in order to accommodate the specific needs of the LDCs.

The performance of the EIF programme will be measured by the outputs of the programme and the time it takes for us to deliver these outputs. It is not an option to fail as, by failing to deliver, we will put the development clock back many years, which will have real and adverse effects on the populations of countries that are already marginalized and most vulnerable. If we are going to make the EIF programme to perform to its true potential, we need to all work together for the benefit of all. In doing this, we must mobilize additional resources; put in place robust but non-bureaucratic governance structures, a monitoring mechanism that is able to measure the efficiency and effectiveness of the programme through objectively verifiable indicators; and to support the National Implementation Units at all levels – at the highest in-country political levels as well as provide Donor support.

Finally, I would also like to stress the importance of the role to be played by the substantive Board. Having ensured that the necessary mechanisms to facilitate the operationalization of the programme have been put in place, the Board's role needs to now shift from dealing with technical aspects to address strategic policy issues. This, in my view, is essential if we are to deliver the EIF programme. This change in roles of the Board may not only affect the composition of the Board, in terms of the profiles and qualifications of Board members, but also the frequency of meetings and the Board meeting agendas so as to allow the Board to concentrate its efforts on strategic issues and for the EIF Secretariat to concentrate on implementation issues. This will also be a clear signal to all EIF partners that the programme is now ready for implementation. As EIF partners, this aspect needs to be addressed by the relevant constituencies.

In conclusion, I wish to thank the Chairman of the EIF interim Board, H.E. Ambassador Maruping and the interim Board members for having provided guidance to the Executive Secretariat in the last year, and the Donors that have pledged to fund the Trust Fund. The Executive Secretariat and the Trust Fund Manager remain committed to support the process and look forward to, and count on, your support for a successful outcome that will enhance the credibility of the EIF.

I thank you for your attention.