Strategic Plan
2019-2022
Forging new paths for the Least Developed Countries in global and regional trade
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The EIF does vital work and is making a real impact on the ground. But of course there is still a huge amount of work to be done. We are grateful for the EIF partners’ strong commitment to our ongoing efforts to take this work forward, as encapsulated in the new Strategic Plan. Together we can ensure that the EIF continues to deliver for the LDCs.”

Roberto Azevêdo, Director-General, World Trade Organization
Foreword

EIF has been on a remarkable journey over the past decade. We have built the country ownership that is essential for LDCs to achieve sustained trade development. We must redouble our efforts to make LDCs more competitive.”

Ratnakar Adhikari, Executive Director, Executive Secretariat for the EIF

HOW TO BETTER POSITION THE LEAST DEVELOPED COUNTRIES (LDCs) IN THE GLOBAL ECONOMY

The Enhanced Integrated Framework (EIF) Strategic Plan (SP) 2019-2022 has been developed to align closely with the 2030 Agenda for sustainable development and the 17 Global Goals, otherwise known as the Sustainable Development Goals (SDGs). In this context, the EIF is specifically mentioned in SDG 8a (Aid for Trade (AfT) for decent work and economic growth) and contributes to several other SDGs.

The programme began in 2008 with the goal of assisting the Least Developed Countries (LDCs) in their use of trade as an engine for growth, sustainable development and poverty reduction. Over the past ten years, the EIF has helped the poorest countries to strengthen policy environments for trade, enable exports to untapped new markets and ensure that goods and services move easily across borders.

In today’s complex trade environment, the EIF is needed now more than ever. Improving the economic prospects for the LDCs remains a key global challenge. Through critical diagnostic analysis, institutional and policy support, capacity development and coordination mechanism-building, the EIF has helped governments develop tailored national trade programmes. These programmes support producers, train officials to develop and implement home-grown trade agendas and build capacity among small businesses – many of which are owned by women.

While the EIF’s overarching goals have remained constant, our ways of operating have evolved in response to the opportunities and challenges in better positioning the LDCs in the global economy. We are proud of our achievements and at the same time, we know that we need to do more. The LDCs continue to struggle to competitively participate in global markets. With global tensions rising and threats to trading systems emerging, the LDCs are among the countries that are in the most vulnerable situations.

The EIF’s four-year SP is built upon these insights. We need to intensify efforts to make productive sectors more competitive and resilient in Africa, Asia, the Americas and the Pacific. The last Medium-term SP (2016-2018) explored this in some detail; the new SP (2019-2022) takes this approach to a deeper level, as the EIF uses its knowledge, resources and partnerships to help the countries address the most difficult trade-related challenges to ending poverty and building shared prosperity – sustainably. The EIF is determined to deliver its results in line with the Value for Money (VfM) Framework.

The transition from the third to the fourth Industrial Revolution and the digital and automated technologies associated with it, alongside emerging private sector leadership, are opening the way for unparalleled developments in the global economy. The Global Goals provide a crucial framework for collective action, and the EIF is the only programme to be specifically mentioned in SDG 8 as a key mechanism to channel resources to the LDCs.

With the rapid change in today’s global trade environment, the EIF will make the best use of national networks to accelerate action, intensify collaboration and spur investments for trade. We will increase our focus on gender, women’s economic empowerment, micro-, small- and medium-sized enterprises (MSMEs), youth employment and countries affected by fragility and conflict. We will increase investments in trade facilitation for goods and services; regional and global value chains (GVCs); technology and innovation; and investment promotion. Through our Diagnostic Trade Integration Studies (DTISs), we will deepen the collective understanding of domestic and external constraints and opportunities and help the LDCs create their own strategies for pursuing more inclusive export-led growth.

Finding sustainable trade solutions that can support the economic development of the LDCs requires concerted efforts by a variety of people. The EIF excels in this kind of collaboration. We are deeply grateful to our LDC Partners and EIF Partner Agencies, including the International Monetary Fund (IMF), the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the United Nations Industrial Development Organization (UNIDO), the World Bank Group (WB), the World Trade Organization (WTO) and the World Tourism Organization (UNWTO), and to our supporters and funding partners who make our important work possible.
**Vision**

**Inclusive trade for better lives**

**Mission**

The LDCs are empowered to use trade and investment to integrate into global trade for sustainable development and poverty reduction.

**Goal #1**

Improved trade environment conducive for inclusive and sustainable growth of the LDCs

- **Objective #1** Improved evidence-based policy and regulatory frameworks for trade and investment
- **Objective #2** Strengthened institutional coordination for trade development and investment
- **Objective #3** Enhanced capacities for policy formulation and implementation

**Goal #2**

Increased exports and access to international markets for the LDCs

- **Objective #4** Improved participation of EIF Countries in strategic value chains for increased connectivity to markets
- **Objective #5** Improved technology use in production and services in selected value chains
- **Objective #6** Support to EIF Countries to leverage additional investments for productive capacity
1. Context and challenges

1.1 CHANGES IN THE GLOBAL LANDSCAPE: CHALLENGES AND OPPORTUNITIES FOR THE LDCs

**Fragile global economy:** Global trade flows in goods and in services are moving in a positive direction. The volume of merchandise trade grew by 4.7% in 2017, registering its strongest growth since 2011, and is anticipated to grow by 4.0% in 2019. However, this recovery remains fragile, as a variety of risks could jeopardize recent gains. Protectionism, geopolitical tensions, technology changes and climatic uncertainty are but a few of the risks that put the trajectory of the global economy in question.

Economic growth in the LDCs, which as a group averaged 5% in 2017, continues to leave behind the countries that are dependent on raw materials and commodities. Growth forecasts for 2019, at an average of 5.5%, remain well below the 7% target set out in SDG 8.1. It is estimated that an additional investment of US$24 billion per year is needed to spur a 7% average annual GDP growth between 2016 and 2020.

Amid escalating trade tensions and uncertain growth and trade trajectories in the world and alongside declining consumption in many developed markets, continued positive momentum may be hampered. The LDCs need to further diversify their exports and increasingly look to expanding their presence in domestic and regional developing country markets for future growth and trade opportunities.

**Regional markets and regional value chains are emerging, but trade costs are high:** With increasing regional and continental trade integration in Asia and Africa, regional markets are emerging as important export destinations for LDC goods and services, and regional production networks are on the rise. In addition, LDC trade in tourism as well as other commercial services, which include financial services and other highly dynamic technology-intensive activities, have been increasing. Alongside the expected demographic dividend in the LDCs, this opens up potential niche markets and opportunities to better engage in regional and GVCs.

Unfortunately, such shifts are hampered by high trade costs in the LDCs, including those coming from regulatory differences and inadequate physical and digital infrastructure.

High trade costs and constrained institutional capacities, including quality national infrastructure, remain stumbling blocks for the LDCs to tap into regional markets and get involved in regional value chains. This calls for intensified efforts from the LDCs, development partners and the private sector at national and regional levels to invest in trade infrastructure, skills development, regulatory reforms, institutional support, access to finance and trade facilitation, to name but a few. These needs are even more important in light of shrinking investment resources for LDC trade.

**Foreign Direct Investment (FDI) and AfT flows to the LDCs:** While investments to boost LDC trade are more pressing than ever, FDI flows directed to the LDCs dropped by 17.1% in 2017. Nearly two-thirds of FDI flows to the LDCs have been going to just five countries, namely Bangladesh, Cambodia, Ethiopia, Mozambique and Myanmar. In addition, despite some fluctuations in the AfT flows to the LDCs over the recent past, the relative share of the LDCs in AfT flows has remained stable overall.

In light of the above, supporting the LDCs to revisit investment promotion regulations and to leverage more domestic resources is even more important. This can be achieved by

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1. WTO Statistical Review 2018, page 28
4. National quality infrastructures cover standardization, testing, measurement, certification and accreditation.
supporting the private sector and particularly MSMEs to thrive, and empowering economic actors, particularly women and youth, to more effectively participate in economic activities.

**The Fourth Industrial Revolution and new ways of doing business:** As technology continues to drive the transition from the Third to the Fourth Industrial Revolution, the premium on skills and innovation has never been more important, and this offers both opportunities and challenges for the LDCs. Analytical work to define the dynamic comparative advantages of the LDCs in the digital economy followed by policies that promote skills development and upgrading, adoption of technology and innovation must be at the heart of any trade-led development strategy.

Closing the skills and technology gap in the LDCs is not only essential for boosting productivity, building productive capacity, engaging in higher value-added activities and promoting longer-term structural change, it also lays the foundation, alongside digital infrastructure, for leveraging emerging opportunities in e-commerce and digital trade.

**LDC fragility on the pathway to the SDGs and the Istanbul Programme of Action (IPoA):** While trade is now fully entrenched as an essential tool in the global development agenda, as represented by the 2030 Agenda (as well as for the LDCs in the IPoA and the Addis Ababa Action Agenda), actual results from trade are quickly falling behind targets. These include the target of LDC graduation and doubling the LDC share of global exports by 2020. Many LDCs are on the graduation path, but the transition is not smooth, and economic vulnerability is still high. Helping to build sustainable institutional capacities that promote resilience is thus vital.

This changing landscape, while fraught with risks, offers significant new opportunities for the LDCs to trade their way out of poverty and towards sustainable development. The EIF will place particular emphasis on supporting the LDCs to mobilize additional resources, improve productivity and diversify exports, including through the use of improved technology. We will also help to empower local stakeholders, particularly MSMEs, women and youth, to participate effectively in the economy. To do so, the EIF needs to capitalize on its unique values of global partnership, its global mandate, national ownership, in-country coordination structures and its springboard for leveraging as well as building on lessons learnt over time.

**THE EIF’S UNIQUE VALUES AND LESSONS LEARNT**

Learning from its operations since the inception of the programme in 2008, the unique values of the EIF lie in the five features outlined below, as well as additional key lessons learnt that underpin the SP 2019-2022.

1.1.1 **Unique values**

- **In-country coordination mechanisms** and processes to engage stakeholders and support trade mainstreaming, the trade policy dialogue and AfT implementation and coordination. These mechanisms have helped the EIF build political clout and convene influencers aimed at addressing key LDC challenges and promoting peer-learning. This has been beneficial to funders and partners for coordination and to support the implementation of their AfT programmes.

- **Global mandates** for targeted support to the LDCs. The EIF is specifically mentioned in SDG 8a and is at the heart of SDG 17 (Partnerships for the goals). The EIF’s work is integral to achieving many of the SDGs, as illustrated in Figure 1.

- **Unique partnership approach** that brings together funding partner resources, technical expertise from international agencies and development partners, and leadership from LDCs, providing a dedicated global platform for collective and mutual solutions to the key trade development challenges faced by the LDCs.

- **Country ownership** and holistic support approach for sustainability and impactful results: Demand-driven and adhering to country ownership principles, the EIF brings together major in-country actors throughout the programme cycle from design and implementation to monitoring and evaluation, all to ensure that results are sustainable and lead to positive impacts.

- **Springboard for resource-leveraging:** Evidence-based and nationally owned prioritization processes coupled with the increased ability of trade ministries to leverage resources means that the EIF has an immense potential to mobilize resources at the national level from government treasuries, development partners and the private sector. This is also reflected in the way resource-leveraging is now front-loaded in the design and implementation of all EIF projects.
**Goal #1**
Improved trade environment conducive for inclusive and sustainable growth of the LDCs

**EIF SDG contributions**

1. **The EIF supports the LDCs to adopt pro-poor trade agendas and mobilize resources for implementation**
2. **The EIF helps the LDCs increase agriculture productivity and improve cross-sectorial linkages, thus contributing to this goal**
3. **With added emphasis on women’s economic empowerment in its interventions, the EIF promotes gender equality**

4. **The EIF empowers entrepreneurs and MSMEs to create well-paying jobs and drive economic growth**
5. **The EIF helps the LDCs identify infrastructure and industrialization bottlenecks and supports the use of technology in production and services**
6. **Environmental and social sustainability is embedded into the core of every EIF project**
7. **As an equal trilateral partnership between LDCs, EIF Funding Partners and EIF Partner Agencies, EIF fully embodies the spirit of SDG 17**
1.1.2 Lessons learnt

Lesson learnt from EIF operations thus far show that the EIF maximizes its unique value when it serves as:

- A knowledge broker for trade development and reforms;
- An effective institutional platform for policy dialogue, policy coherence and policy innovation on trade and development; and
- A springboard for catalytic investments in promising sectors for trade-led sustainable development.

Other lessons from the past decade of EIF operations that underpin the design of the SP 2019-2022 include:

**EIF implementation structures are more effective when integrated** with existing national mechanisms and sector actors beyond ministries of trade. Efficiency gains are derived when structures are more inclusive of key economic actors, including diverse private sector actors such as MSMEs, civil society, women and youth.

**Mainstreaming trade priorities** into national development plans (NDPs) has demonstrated to key policymakers and authorities the instrumental role that trade can play in the sustained development of the LDCs. This will further be reinforced through mainstreaming trade into sector policies and programmes.

**Local expertise** to deal with complex trade issues and a fast-changing trade environment takes time to develop. The mainstreaming of new dimensions of inclusive trade, such as gender considerations, the environment, e-commerce and investment promotion can be slow and backed by less experience or evidence.

**Outreach and communications are essential** to develop broader recognition within the trade and development community of the EIF’s many achievements to date and to show the true value of the programme. Notwithstanding that outcomes and impacts take time to materialize, a refreshed communications strategy at the global level is being implemented, and we recognize that more work needs to be done to maximize global and country outreach efforts.

**Mobilizing resources, both financial and technical,** is something the EIF has achieved with varying degrees of success. Experience indicates that the significant catalytic potential of EIF investments remains largely untapped. In moving deeper into EIF Phase Two and to help deliver more impactful and sustainable results, the EIF is working to scale up its financial resources as well as help the LDCs become more effective in leveraging additional resources through governments, bilateral donors and the private sector, both locally and globally.
2. Strategic Plan 2019-2022

"The EIF stands out as the only multilateral Aid for Trade mechanism focusing solely on LDCs. It provides a unique opportunity for development of new trade policies and strategies where it is most needed. This is why Norway continues to be a strong supporter of the EIF and why we urge others to cooperate in any way they can."

Nikolai Astrup, Norwegian Minister of International Development

2.1 BUILDING ON THE EIF’S FOUNDATION

Since its inception, the EIF has been a global AfT partnership in action for the LDCs. Phase One of the programme was launched in 2008 and became operational in 2010. The Programme Framework Document for EIF Phase Two and the Medium-term SP (2016-2018) are the foundations of this Medium-term SP 2019-2022.

For the past ten years, together with our partners, we have supported the LDCs to undertake comprehensive diagnostic analytical work to identify and mainstream trade priorities for national development as well as to build trade-related institutional and productive capacity. The clearest results are:

- Quality trade strategies formulated and integrated into NPs;
- Improved technical and fiduciary capacity of ministries responsible for trade; and
- Increased engagement of line ministries, the private sector and other non-state actors to discuss trade-related policies and AfT programmes.

More importantly, through our support to the LDCs to drive their own trade development agendas, the EIF has helped build political will, local stakeholder confidence and strong commitments to trade. EIF seed investments have created springboards in key export sectors of the LDCs to help local actors continue the momentum and scale up the results of initial EIF interventions.

Results and impacts of EIF interventions achieved on the ground have been recorded in annual reports (https://www.enhancedif.org/en/results) and confirmed through the programme’s mid-term and end-phase evaluations, as well as in-country monitoring and evaluation exercises. These results are fundamental for trade development in the LDCs and constitute a solid foundation for the EIF to continue its Vision and Mission. Nevertheless, as identified in Section 1.1 above, LDC trade pathways to sustainable and inclusive development, as envisaged by the SDGs, remain bumpy and unpredictable. the LDCs need to forge new paths to better integrate into regional trade; to bring along grassroots actors, particularly women, youth and MSMEs in their trade development trajectory; and to leverage resources to invest more into the future to catch up with industrial and technological evolutions.

As such, the EIF is more relevant today than ever. While continuing to build on the existing momentum and concrete results achieved and to leverage the EIF’s unique values outlined above, we have fine-tuned our objectives, re-steered strategic priorities, forged innovative partnerships and streamlined delivery mechanisms to ensure that the programme responds to LDC needs in a prompt, flexible and effective manner. Such an approach will contribute to the LDCs forging new pathways towards sustainable and inclusive trade and help lead to the achievement of the SDGs.

The EIF stands out as the only multilateral Aid for Trade mechanism focusing solely on LDCs. It provides a unique opportunity for development of new trade policies and strategies where it is most needed. This is why Norway continues to be a strong supporter of the EIF and why we urge others to cooperate in any way they can."

Nikolai Astrup, Norwegian Minister of International Development
2.2 OUR VISION, MISSION AND GOALS

The EIF Vision of “Inclusive trade for better lives” reflects our commitment to the achievement of the SDGs.

The EIF Mission is that “the LDCs are empowered to use trade and investment to integrate into global trade for sustainable development and poverty reduction”.

This responds to the international community’s call for the EIF to serve as the key conduit for mobilizing and delivering AfT support for decent work and economic growth for the LDCs, in line with SDG 8a.

To deliver on the Mission, the EIF will contribute to the following Goals:

- **Goal #1**: Improved trade environment conducive for inclusive and sustainable growth of the LDCs; and
- **Goal #2**: Increased exports and access to international markets for the LDCs.

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**FIGURE 2: EIF EVOLUTION FROM PHASE ONE TO PHASE TWO**

- **2009–2010**
  - Setting up the EIF governance structure
  - Establishing operational instruments

- **2011–2015**
  - Establishing in-country structures and institutional coordination mechanisms
  - Trade diagnostic analysis
  - Trade mainstreaming in NDPs
  - Pilot projects addressing supply-side constraints
  - End-phase evaluation

- **2016–2018**
  - Consolidating institutional structures and dialogues for trade development
  - Beyond NDPs: Deepening trade mainstreaming in sector strategies
  - New trade diagnostic approach: focused and action-oriented
  - Thematic partnerships (agriculture, e-commerce)
  - Building productive capacity in target sectors
  - Leveraging resources
  - Phase Two Programme Framework

- **2019–2022**
  - Sustaining in-country structures supporting AfT implementation and trade mainstreaming
  - Focused analytical work supporting regulatory reforms, LDC graduation, sector strategies and investment
  - Engaging private sector and empowering MSMEs, women and youth for new opportunities
  - Harnessing technology to boost competitiveness
  - Promoting regional value chains and trade facilitation
  - Scaling up productive capacity support
  - Evaluating impacts and communicating evaluation outcomes
  - Leveraging resources
2.3 OBJECTIVES AND PRIORITIES

To meet the above two goals, the EIF will focus on achieving the following objectives and priorities:

FOR GOAL #1:

2.3.1 Objective #1: Improved evidence-based policy and regulatory frameworks for trade and investment

The EIF’s priorities for achieving Objective #1 are:

- Support the implementation of trade components in NDPs and, where required, consolidate the mainstreaming of trade at an institutional level;
- Support the LDCs to undertake diagnostic studies, beyond traditional DTIS and DTIS Updates (DTISU), to develop sector strategies, particularly for the services, agriculture and manufacturing sectors, and through our work at the regional level, evaluate and where necessary support regional diagnostic studies; and
- Beyond support to the LDCs to update trade policies to include new dynamics, such as e-commerce, we will support regulatory reforms where appropriate and monitor the implementation of trade policies that are inclusive and that generate opportunities for women and youth and enable MSMEs to integrate into global trade.

As of 2017, 37 countries have integrated trade into their NDPs, thereby recognizing trade as an important pillar of development. This paves the way for further integration of trade into sector strategies. For example, in Cambodia and Malawi, trade sector-wide approaches have been adopted, providing a platform to channel resources to national trade priorities.

2.3.2 Objective #2: Strengthened institutional capacity and coordination for trade development and investment

The EIF’s priorities for achieving Objective #2 are:

- Continue to strengthen the trade policy and coordination functions of trade ministries, including through the integration of EIF National Implementation Units (NIUs), public-private consultations and government-donor dialogues into the main government structures and mechanisms;
- Focus on consolidating and strengthening existing country mechanisms that facilitate inter-government coordination and attract high-level and broad participation, including the private sector, MSMEs and a large representation of female constituencies to consult on trade-related issues;
- Help the LDCs mobilize investment, including blended finance, through targeted capacity-building initiatives and a reorientation to focus on investment for trade rather than simply AfT;
- Customize institutional capacity-building for fragile and conflict countries to ensure that basic infrastructure is in place to support trade and development; and
- Target support to graduating LDCs to ensure a smooth transition and institutional sustainability.

By 2017, trade ministries in more than 15 countries demonstrated a capacity to develop and drive trade development agendas. Thirty-seven countries have established quality, functioning public-private coordination mechanisms, which has improved government engagement with the private sector and led to fruitful partnerships. For example, a Memorandum of Understanding was signed between the Government of Guinea and a Malian private company to export mangoes to Europe using Guinea’s airport.

2.3.3 Objective #3: Enhanced capacities for policy formulation and implementation

The EIF’s priorities for achieving Objective #3 are:

- Strengthen local expertise to deal with complex trade issues and a fast-changing trade environment through proactively providing training and capacity-building; and engaging research institutions, universities, sector associations, MSMEs, women’s groups and other key stakeholders; and
- Enlarge and strengthen collaboration with relevant partners beyond the core EIF Agencies (such as the Global Alliance for Trade Facilitation, regional economic communities, regional and international non-profit organizations, etc.) to promote the development and implementation of research and expertise and reform measures supporting regional integration, trade facilitation arrangements and trade in services sector reforms, among other things.

Twenty-six countries have actively engaged their stakeholders in capacity-building activities, leading to increased knowledge and participation in policy reforms. For example, the Governments in The Gambia, Lao PDR, Malawi and Myanmar and have established trade portals for information-sharing on their national trade agendas.
2.3.4 Objective #4: Improved participation of the EIF Countries in strategic value chains for increased connectivity to markets

The EIF’s priorities for achieving Objective #4 are:

- Support MSMEs to deepen their understanding of the opportunities that value chains have to offer and build their skills to effectively participate and harness the benefits.
- Expose producers and traders in the LDCs to international and regional trade opportunities and support them to take required training to acquire skills to build and harness the established international connections;
- Continue to support quality infrastructure in the LDCs in collaboration with UNIDO, the Standards and Trade Development Facility, the WB and other regional programmes; and
- Support MSMEs to comply with export standards, obtain product and qualification certifications and apply good agricultural, manufacturing and service provision practices.

In Cambodia, the EIF in partnership with ITC, the WB, UNIDO and UNDP have supported value chain development for silk, rice, marine fish and cassava, leading to a significant increase of exports in these sectors. In Samoa, the EIF has supported over 180 Samoan villages with women smallholder producers, enabling them to supply international markets, such as The Body Shop, and earning over US$200,000 annually.

2.3.5 Objective #5: Improved technology use in production and services in selected value chains

The EIF’s priorities for achieving Objective #5 are:

- Initiate pilot projects to help the LDCs use technology to enhance competitiveness, boost productive capacity and move up the value chain ladder in an environmentally sustainable way;
- In collaboration with UNCTAD and other partners, continue to support e-Trade Readiness Assessments, strategies and catalytic infrastructure development for e-trade based on priority action matrices; and
- Support skills development to empower women, youth and MSMEs to keep up with technological evolution and facilitate the adoption of technology.

In Comoros, the adoption of processing technology (a distillation and drying facility for vanilla, ylang-ylang and clove) has led to an 80% reduction in drying times and a 70% enhancement in quality. In Burkina Faso, mango producers started using a modern drying facility that allowed them to move away from drying products on wooden tables, thus reducing mango waste. As a result, mango exports increased two-fold in volume and three-fold in value, creating over 3,000 new jobs.

2.3.6 Objective #6: Support to the EIF Countries to leverage additional investments for productive capacity

The EIF’s priorities for achieving Objective #6 are:

- Leverage thematic partnerships with non-traditional partners to help deliver on the SP, including relevant specialized UN agencies and regional commissions and regional and sub-regional banks and economic communities, as well as international, regional and national non-governmental organizations (NGOs);
- Strengthen the EIF’s approach to resource mobilization by helping the LDCs mobilize external and domestic resources through an effective application and monitoring of the DTIS Action Matrices; and improving the enabling environment for private sector investment, including MSMEs, to do business and invest in sectors contributing to the SDGs; and
- Use e-platforms (EIF website, EIF Management Information System (MIS) and EIF Knowledge Hub) for improved outreach, information-sharing and reporting. These systems also increase transparency and strengthen monitoring and evaluation (M&E) and communications.

Ninety-three actions have been undertaken by countries in leveraging additional resources. For example, The Ministry of Trade in Guinea held discussions with the EU Delegation to obtain funding from the Regional Indication Programme based at the Economic Community of West African States. Similarly, in The Gambia, the EIF is coordinating with the International Islamic Trade Finance Corporation for complementary funding on projects.
2.4 CROSS-CUTTING PRIORITIES

In our pursuit of impactful and sustainable results, as outlined in the specific objectives and priorities above, the EIF’s experience over the past decade offers insights into the need for particular attention to a number of cross-cutting issues, notably the economic empowerment of women, youth employment and the circumstances of fragile and conflict-affected EIF Countries. By focusing on these groups and country situations, the work under SP 2019-2022 will help ensure that trade is inclusive and offers targeted possibilities for groups and countries to benefit directly from trade.

2.4.1 Economic empowerment of women

The EIF will adopt a more targeted approach to the economic empowerment of women and to gender equality, as articulated in SDG 5 (i.e., to achieve gender equality and empower all women and girls). To achieve this, we will develop a standalone women and trade programme for the EIF.

The EIF’s priorities for the economic empowerment of women are:

• Mainstream gender into diagnostic studies, trade policies and sector strategies with a view to ensuring an inclusive gender policy and regulatory environment that generates opportunities for women;
• Deepen our support to women business associations through institutional support and capacity-building projects.
• Target support to global and regional value chains in agriculture, tourism and other services sectors where jobs for women are predominant; and
• Partner with institutions and agencies with core competences on trade and gender, for example ITC, UNCTAD, the WB, UNDP and the WTO, among others.

2.4.2 Youth employment

Trade and investment can provide job opportunities for youth, creating a virtuous cycle as they are productively engaged as contributors to economic growth, thereby eliciting more and better opportunities for further production, consumption and investment.

The EIF’s priorities for youth employment are:

• Contribute to the investment in skills development for youth, particularly girls, in emerging technologies; and
• Contribute to an improved business environment to foster youth entrepreneurship by connecting them to potential investors, mentorship programmes and markets.

2.4.3 Fragile and conflict-affected EIF Countries

The EIF has been operating in many LDCs affected by conflict and in fragile situations. While the programme must properly manage operational risks, it is also essential that the EIF does not leave any country behind while doing so. Towards this aim, the EIF Board has approved an approach for such circumstances to be implemented in SP 2019-2022.

The priorities for fragile and conflict-affected EIF Countries are:

• Focus impact measurement on initiating change rather than “only results”. This includes allowing projects to set realistic, shorter-term goals as well as more ambitious, longer-term goals that can be addressed in the context of an improved political climate and a stabilized situation. Incorporate flexibility within the deliverables to allow for scaling down in the case of deterioration or scaling up when a more stabilized situation materializes;
• Capitalize on the UN framework and partners on the ground for project design, implementation and monitoring; and
• Establish greater coordination and information exchange with non-traditional partners, including NGOs and civil society organizations, to ensure greater inclusiveness of trade in other programmes, which can assist in a smooth transition and recovery.

The EIF fills a critical gap in the global Aid for Trade ecosystem. Its support for connecting small-scale producers and women entrepreneurs to world markets, raising the quality standards of exports, and for supplying digital readiness diagnostics, is instrumental in promoting inclusive and sustainable development in countries most deserving of assistance by the donor community.”

Caroline Freund, Director of Trade, Regional Integration and Investment Climate, World Bank Group

2.5 INDICATORS OF SUCCESS BY 2022

The Logframe for EIF Phase Two forms an integral part of the SP and provides detailed results indicators at different levels. Specifically, the EIF will measure its achievement of outcomes through the quantitative indicators below, to be complemented by narratives as qualitative evidence of changes on the ground:

IMPROVED TRADE ENVIRONMENT

• Number of EIF Countries with trade integrated into their NDPS;
• Number of EIF Countries with effective trade coordination mechanisms; and
• Number of sector-specific strategies per country integrating trade with a focus on poverty reduction.

INCREASED EXPORTS AND ACCESS TO INTERNATIONAL MARKETS

• Volume of production generated through EIF interventions.
• Number of new international markets accessed with support from EIF.
• Value of export generated through EIF interventions.
**ASSESSMENTS**

- National ownership is strong;
- Government will fund (financial and through human resources) each output;
- Policies will be effectively implemented;
- Other actors (funding partners, NGOs, private sector, other relevant stakeholders) will be committed to supporting the achievements of the outputs; and
- Trade policy is designed to take into account people’s needs.

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**ASSESSMENTS**

- It is possible to integrate countries into global trade in a way that contributes to poverty reduction and sustainable development;
- Share of non-oil global exports means growing exports in productive sectors;
- Donor commitment remains strong;
- Government provides support and maintains its commitment to trade; and
- Business environment remains conducive for fostering trade and investment.

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**ASSESSMENTS**

- Trade and trade-related priorities offer potential for export in line with DTIS priorities;
- The right regulatory framework is in place;
- Productive capacity is improved to meet the demands of the global market;
- Infrastructure capacity is sufficient for priority value chains; and
- Private sector investment and FDI are enhanced.

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*FIGURE 3: EIF THEORY OF CHANGE*
ASSUMPTIONS

- It is possible to integrate countries into global trade in a way that contributes to poverty reduction and sustainable development;
- Share of non-oil global exports means growing exports in productive sectors;
- Donor commitment remains strong;
- Government provides support and maintains its commitment to trade; and
- Business environment remains conducive for fostering trade and investment.

The LDCs are empowered to use trade and investment to integrate into global trade for sustainable development and poverty reduction.
2.6 OUR THEORY OF CHANGE

The Theory of Change (ToC) is based on the premise that building the institutional trade capacity of the LDCs; strengthening the policy environment; providing catalytic investments to support diversification and competitiveness in key productive sectors; and enhancing MSME capacity will increase LDC trade. This, alongside inclusive programming and implementation where gender, youth, MSMEs, partnerships, ownership, impactful results delivery and sustainability stand as our guiding principles, will lead to sustainable economic development and poverty reduction, as specified in both our Mission and the SDGs.

Our ToC provides a comprehensive description and illustration of how and why we expect EIF interventions to reach our desired change to empower the LDCs to use trade and investment for sustainable development. The visualization of the ToC presented in Figure 3 identifies all the conditions that must be in place for the EIF programme to deliver on its stated goals.

We recognize that other partners and actors are involved in the trade and development spectrum, thus influencing the changes that the EIF envisages (as illustrated by the ToC and by the Results Chain in Annex 1). As such, stakeholder mapping and engagement are essential in all stages of EIF interventions from diagnostic studies to project formulation and implementation. This helps identify linkages and opportunities for collaboration.

The pathways to change are based on the following assumptions:

- Countries adhere to inclusive trade and investment policies and multilateral trade rules;
- There is sufficient investment from LDC governments, development partners and the private sector in productive and trade infrastructure;
- The LDCs use knowledge acquired in their policies and practices through learning and targeted engagement;
- Project formulation and implementation at the country level is inclusive of gender, youth and MSMEs and built on the EIF principles of partnership, ownership and delivery of impactful results;
- Governments prioritize trade in their national development plans and sectoral plans/strategies and increase resources for the development of the trade sector; and
- Trade-related sector line ministries, sector associations, civil society and the private sector show their willingness to engage with the ministry responsible for trade to implement national trade policy.


The support from the Enhanced Integrated Framework to trade actors, including small and medium-sized enterprises, women and youth in the LDCs is fundamental. Let’s strengthen this unique partnership so it can actively contribute in integrating these countries in international trade.”

Hassan Come, Minister of Commerce and Industry, Central African Republic
The EIF will continue to follow a three-pronged approach to assist LDCs. This includes: (i) analytical work to identify the challenges and mapping the ways forward for LDC trade; (ii) institutional support projects to establish and/or integrate the necessary coordination structures and to build the trade capacity of government institutional and non-state actors; and (iii) productive capacity support providing catalytic investments in key areas identified in the DTIS.

This approach will be anchored in the EIF VfM Framework to ensure the economy, efficiency, effectiveness and equity of EIF interventions. Through the three-pronged approach and the VfM Framework, the Executive Secretariat for the EIF (ES) and the EIF Trust Fund Manager (TFM), in partnership with the core EIF Agencies and partners, will work with LDC governments to deliver on the programme objectives in adhering to the following operational principles, programme management, M&E and communication modalities.

3.1 OUR OPERATIONAL PRINCIPLES

As we move to increase our impact at global, regional and national levels, our core principles remain unchanged. We maintain the fundamental tenets that have been central to EIF success.

- **Commitment to partnerships:** Across our global network and work in 51 partner countries, we are guided in all we do by partnerships at every level. Over the next four years, we will more actively reach out to sector partners at the global and country levels and continue to ensure that the EIF functions as a cohesive partnership that promotes mutual accountability and transparency to deliver on a shared commitment to promoting inclusive trade for the LDCs;

- **Country ownership:** We put the LDCs in the driver’s seat of the EIF partnership. Together, we identify sectors with export potential and help the countries become more competitive in regional and global markets. Over the coming years, the EIF will continue to support the regular and broader engagement of local stakeholders in national trade-related structures and coordination mechanisms to promote robust local ownership; and

- **Delivery of results for impact:** In the period 2019-2022, we will focus on transforming analytical work into policy and strategies into action – action that will lead to an enabling trade environment and enhanced sector competitiveness for inclusive growth, job creation and stronger MSMEs. Our focus on sustainable and long-lasting impacts will remain our hallmark.

“Trade contributes around 39% to the GDP of Bangladesh that helped Bangladesh to maintain a steady growth over the past few years. Therefore, trade has been considered as the main engine of growth in its 7th Five Year Plan. EIF initiatives, based on its unique value of partnership and ownership, have significantly contributed to building capacity of the institutions in Bangladesh as well as the development of skilled human resources for sustainable and inclusive trade development.”

Shubhashish Bose, Senior Secretary, Ministry of Commerce, Government of the People’s Republic of Bangladesh
3.2 PROGRAMME DELIVERY AND MANAGEMENT

As the EIF works to increase its impact at the global, regional and national levels – while at the same time ensuring programme efficiency and prompt responses to LDC needs – we will continue to streamline procedures and delivery instruments as well as adopt an integrated implementation approach in the project cycle.

Specifically, we will:

Streamline our procedures and delivery instruments:

- **Be prompt and flexible in project delivery** by shortening feedback loops between the conceptualization of project ideas, project formulation and project approval as well as through the increased use of the MIS; and
- **Shift from a “Tier” approach to a broader delivery mechanism** that provides customized country solutions and ensures impact, synergies and administrative efficiency. To this end, we will, where possible, combine existing funding windows by consolidating “Tiers” and improve our results focus through thematic calls for proposals to target specific indicators in the EIF Logframe. This could, for example, include calls for projects supporting trade and women’s economic empowerment, investment, small business development, youth employment, e-commerce and harnessing the potential of technology.

Adopt an integrated implementation approach:

- **Frontload the EIF Resource Mobilization Strategy** in the design and implementation of all EIF projects and synchronize EIF processes with national programming processes;
- **Ensure inclusive programming** by including MSMEs (particularly women and youth), poverty reduction, gender and environmental impact considerations into the design and implementation of all EIF-funded projects and trade-related programmes and policies. We will work with countries to include in-country logframes with dedicated indicators to measure progress in these areas and strengthen indicators at the programme level.
- **Ensure that VfM measures** are integrated in the operation of the ES and the TFM and in the design and delivery of projects at the country level. The 16 areas of action in the VfM Action Matrix will be implemented and closely monitored by 40 performance indicators. This will help the EIF continuously seek opportunities for optimizing the use of resources for targeted outputs, ensuring the effectiveness of outcome delivery, finding innovative approaches for cost savings and efficiency gains, while providing equal opportunities for all LDCs to receive EIF support. The implementation measures will include, among other things, promoting a culture of cost-consciousness; expanding the choice of service providers; introducing a competitive selection of project implementing entities; and strengthening partnerships with organizations beyond the EIF’s organic structure; and
- **Ensure sustainability of results through** frontloading sustainability parameters, such as institutional, human and financial capacities in project design and implementation. In addition, we will continue to leverage the partnership to multiply EIF results and impact.

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“**The Commonwealth Secretariat partnership with the Enhanced Integrated Framework builds on support we offer member countries, which are preparing to graduate from Least Developed Countries status or have recently done so. Working alongside countries as they graduate, we develop frameworks to open up new horizons of diversification, creating employment and sustainable growth towards greater resilience with broader social and economic inclusion through global trade.”**

*Patricia Scotland, Secretary-General of the Commonwealth*

“**The Enhanced Integrated Framework is the gateway for Least Developed Countries to maximize the impact of trade-related technical assistance. The EIF builds capacities in LDCs to mainstream trade, identify trade-related binding constraints to participation in world markets and assist them to identify and implement solutions in collaboration with partners like the International Trade Centre.”**

*Arancha González Laya, Executive Director, International Trade Centre*
3.3 COMMUNICATIONS AND OUTREACH

The EIF will communicate its vision and approach more clearly. We will use online media and new platforms alongside traditional means of communication to deliver our messages faster to key audiences, including the LDCs, funding partners and trade and development experts. We will work across the EIF partnership and with new strategic partners to build communications partnerships and sharpen our messaging and storytelling capacity.

Over the next four years, we will:

• **Make better use of global events to raise the profile of the EIF’s work.** We will use events as platforms to report on progress, showcase the EIF’s impact, engage existing and new partners and build a community of leaders who support the EIF’s Vision, Mission and work across the LDCs and recently graduated countries;

• **Expand the EIF’s network of champions and supporters.** LDC ministers, ambassadors and entrepreneurs will serve as important emissaries and connectors, putting a human face on the EIF;

• **Leverage our in-house news platform, Trade for Development News, for greater impact.** We will continue to expand our news platform (https://trade4devnews.enhancedif.org/) to share EIF-supported success stories and to be a leading source for news on issues at the intersection of trade and development. We will strengthen our website to present a rich and compelling narrative while providing information on country-level work;

• **Use social media to increase our reach and engage new audiences.** We will continue to build our presence on social media platforms to communicate key messages and to leverage the value of our news platform and website content;

• **Develop country-level communications capacity.** We will embed our visual brand and communications approach throughout our global network to increase our influence and impact. We will provide tools and resources for relevant local officials to distribute EIF-supported content to national networks and partners; and

• **Place leadership commentary and garner more elite media coverage.** We will share our news platform stories and analyses on trade for development by our leadership, experts and partners in top global outlets—both established media and emerging platforms.

3.4 M&E AND ACCOUNTABILITY

The EIF under the SP 2019-2022 is laser-focused on delivering results, which makes it critical that the EIF has a well-functioning M&E system that captures achievements during all stages of a project and that provides lessons learnt to improve future delivery. The EIF’s M&E is anchored in the EIF Phase Two Logframe with clear measurable indicators, and all partners are held accountable. It promotes learning and improvement through a systematic and objective assessment of ongoing or completed projects and feedback loops to enable course correction as needed.

In the next four years, we will:

• **Deepen our M&E and learning practice** by systematically improving the collection of data at global, country and project levels and providing tailor-made M&E capacity-building for the LDCs. As such, we will continuously monitor changes, reflect on results achieved and adapt our learning to strengthen our M&E tools, including the ToC;

• **Strengthen risk management**, including by monitoring economic, social, financial and political situations in the LDCs to detect early warning signs of conflict and fragility and to underpin our support linked with the SDGs. In doing so, we will improve our reporting on performance against outcomes and impact;

• **Re-examine our staff complement** to ensure that human resources are deployed in a manner that encourages efficiency of operations; and

• **Strengthen our accountability mechanisms** through the use of e-platforms (EIF website, MIS, EIF Knowledge Hub) for improved information-sharing and reporting. These platforms also increase transparency and improve M&E and communications.
The initial Programme Framework for EIF Phase Two estimated a budget of about US$270 million to cover the programme interventions. Up to 31 December 2018, the EIF has so far mobilized US$115.07 million.

To deliver on the current SP 2019-2022 objectives, the EIF will need a budget of at least US$150 million. Table 1 presents the total resources needed to deliver the expected outcomes of the SP 2019-2022. This funding level should be mobilized and committed by 2020, except for projects and studies with a duration of less than two years.

This funding projection is based on the past rate of LDCs’ absorption since the launch of EIF Phase Two in 2016 and projected new approvals resulting from the new modalities approved by the EIF Board, i.e., the regional and combined modalities, as evidenced below:

- Since the launch of EIF Phase Two, the commitment rate of the EIFTF has been progressing from 12.03% in 2016 to the current level of 83.22% of the total amount received from Donors (i.e., US$ 68.35 million) (see Figure 4 on Page 22). This shows a real progression of the demands from the LDCs despite the reduction of the amount budgeted per project from US$3 million during EIF Phase One to the current maximum level of US$1.5 million under EIF Phase Two.

- The new regional, thematic and combined modalities will further translate into the commitments of resources to support more proposals relevant to the EIF Goals and Objectives. Because of the development of the EIF partnership and its ability to leverage more resources in support of LDC value chains as well as regional and thematic projects, the EIFTF commitments will increase over this SP period.

- By the end of 2018, an amount of US$56.89 million was committed for project implementation. During the period 2019/2022, the EIF will commit around US$93.11 million, which is reasonable in view of the increasing absorption capacity of the LDCs.

- Finally, to fully achieve the objectives of the SP 2019-2022, it is expected that the EIFTF will receive enough resources to finance projects from 2019 to 2022 to contribute to outcomes as defined. The ES and the TFM will develop project pipelines from 2019 onwards for the respective years and approximately fund 61 projects. Further, projects targeting at regional, thematic and combined funding will also be included in the pipelines. Projections of number and type of projects will take into account the projects already funded for each LDC during EIF Phase One and EIF Phase Two; allocation to countries with only one Tier 2 project; and countries that have not yet been funded from EIF Phase Two resources. However, projections could change given the political situation in various countries and the actual type of projects to be requested by the LDCs and EIF partners. The regional distribution is shown in Figure 5 on Page 22.
# Table 1. Budget for the Strategic Plan (Target of US$150 Million)

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Approved 2016-17</th>
<th>2018</th>
<th>Total</th>
<th>Pipeline 2019-2022</th>
<th>Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Institutional Capacity Support (Outcome 1)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-DTIS/DTIS/DTISU Trade Mainstreaming, institutional support, Sustainability Support</td>
<td>8.08</td>
<td>10.16</td>
<td>18.24</td>
<td>11.99</td>
<td>30.23</td>
</tr>
<tr>
<td><strong>Productive Capacity Support (Outcome 2)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feasibility Study, productive sector support (sector specific and cross-cutting projects)</td>
<td>4.62</td>
<td>11.45</td>
<td>16.07</td>
<td>34.91</td>
<td>50.98</td>
</tr>
<tr>
<td><strong>Regional, Thematic and Combined Funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Both Outcomes 1 and 2 (Institutional and productive sector)</td>
<td>-</td>
<td>3.63</td>
<td>4.24</td>
<td>26.46</td>
<td>30.7</td>
</tr>
<tr>
<td><strong>Sub Total (Tier 1/2, Combined and Regional)</strong></td>
<td>12.70</td>
<td>25.85</td>
<td>38.55</td>
<td>73.36</td>
<td>111.91</td>
</tr>
<tr>
<td><strong>Global and ES Technical Cooperation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Activities</td>
<td>0.73</td>
<td>0.56</td>
<td>1.29</td>
<td>1.50</td>
<td>2.79</td>
</tr>
<tr>
<td>ES’s substantive technical cooperation/ programme support*</td>
<td>5.82</td>
<td>2.99</td>
<td>8.81</td>
<td>8.40</td>
<td>17.21</td>
</tr>
<tr>
<td><strong>Sub-Total Global</strong></td>
<td>6.55</td>
<td>3.55</td>
<td>10.10</td>
<td>9.90</td>
<td>20.00</td>
</tr>
<tr>
<td><strong>Admin</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ES Support</td>
<td>2.49</td>
<td>1.28</td>
<td>3.77</td>
<td>3.60</td>
<td>7.37</td>
</tr>
<tr>
<td>TFM Support</td>
<td>2.26</td>
<td>2.21</td>
<td>4.47</td>
<td>6.25</td>
<td>10.72</td>
</tr>
<tr>
<td><strong>Admin Total</strong></td>
<td>4.75</td>
<td>3.48</td>
<td>8.23</td>
<td>9.85</td>
<td>18.09</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td>24.00</td>
<td>32.89</td>
<td>56.89</td>
<td>93.11</td>
<td>150.00</td>
</tr>
</tbody>
</table>

* As stipulated in the Programme Framework Document for EIF Phase Two (pages 7 and 32), the EIF Board decided to define the TFM cost as an administrative fee, while the majority (such as 70%) of the expenditure of the ES as technical cooperation support.

**Notes:**
- All budget amounts are inclusive of all required costs. The funding for TFM support in 2016 and 2017 and ES support in 2016 came from EIF Phase One. The ES, TFM and Global Activites will be funded up to 2022.
- The Tier 2 project budget in the period 2019-2020 is expected to remain at the maximum level of US$1.5 million/project. The funding level of the projects for the new regional and combined modalities will be according to the levels approved in the modalities. All projects will adhere to the VfM Framework. The number of projects per category will be reviewed and adjusted periodically.
FIGURE 4: PERCENTAGE INCREASE OF COMMITMENTS AGAINST DONOR FUNDS RECEIVED

FIGURE 5: REGIONAL DISTRIBUTION FOR EIF PHASE TWO
5. Beyond 2022

Based on the EIF’s achievements so far and based on the changes proposed in this SP, the programme is on track to achieve its Phase Two goals. With a more realistic funding level (i.e., at least US$150 million), many countries would have taken full ownership of the programme and would have started conducting analytical work, such as DTISs, with limited (if any) support from the EIFTF.

As the EIF begins to focus on attracting private investment and blended financing from 2019 to 2022, some results on the leveraging front are likely to be achieved by the end of 2022. EIF in-country structures, integrated into national mechanisms, will have already reoriented their thinking to focus on investment for trade rather than simply AfT. At the impact level, the programme will have contributed to the integration of countries into global trade in a way that contributes to poverty reduction and sustainable development.

However, one of the EIF’s core objectives – to address supply-side constraints facing the LDCs – will not be fully achieved under the scenario outlined above. This is particularly so for countries that joined the EIF programme towards the end of Phase One and/or after the onset of Phase Two. It is anticipated that there will be continuous demand for resources to meet this objective, which is the very raison d’être of the EIF programme.

Between 2019 and 2022, we expect 48 countries to benefit from the EIF’s catalytic support to develop productive capacity in key priority export sectors to enter new markets. However, sustainable export competitiveness requires continuous change and adaptation. Government policies to support export-led growth in the identified sectors should be reviewed periodically to match the ever-changing dynamics of global trade. Export products need to be adapted to the unique characteristics of target markets, which tend to be shaped in part by technological advances. These complexities coupled with diversity in the LDC landscape mean that support from programmes such as the EIF will continue to remain critical.

It is important to underscore the fact, as highlighted by the Secretary-General of the United Nations in the 2018 UN report on the SDGs, that the remaining 12 years of the 2030 Agenda for sustainable development require immediate and accelerated actions by countries, along with collaborative partnerships at all levels. In this context, and given the EIF’s explicit mention under SDG 8, the time is ripe to commence a discussion on the possible contours of an EIF Phase Three that aligns its conclusion with the 2030 Agenda for sustainable development.

However, for a possible extension of the programme beyond 2022, three critical conditions need to be fulfilled before a formal and structured discussion can begin. First, the EIF’s Phase Two comprehensive evaluation should come out with favourable findings on the EIF’s key performance indicators. Second, there should be demand from the LDCs for a continuity of the programme beyond its current phase. Third, there will need to be an appetite among EIF funding partners to contribute additional resources for a possible final phase, beyond which the EIF’s success will make itself redundant.
To improve economic development in LDCs, more focus needs to be on growing micro, small and medium sized enterprises. EIF’s work with LDC governments is essential to ensure everyone benefits from trade.”

Eloi Laourou, Chair of the EIF Board and Ambassador and Permanent Representative of the Republic of Benin
### EIF Attribution

#### Programming
- Institutional capacity (Tier 1)
- Combined and thematic funding
- Productive sectors/addressing supply-side constraints (Tier 2)
- Regional projects

#### Inputs
- EIFTF: Funding commensurate to the result expectation and leveraging;
- National institutional structures;
- Country ownership and partnership;
- Country and donor programming; and
- Dedicated staff.

#### Activities

- Undertaking analytical work, policy formulation and reforms; strengthening institutional structures and coordination mechanisms for trade; supporting MSMEs, women and youth; facilitating technology adoption; leveraging resources; engaging with local stakeholders and multilateral and bilateral partners; training public and private sector representatives on trade matters; strengthening M&E; raising awareness; and communicating results.

#### Outputs
- Improved evidence-based policy and regulatory framework for trade and investment.
- Strengthened institutional coordination for trade development and investment.
- Enhanced capacities for policy formulation and implementation.

#### Outcomes
- Improved trade environment conducive for inclusive and sustainable growth of the LDCs.
- Increased exports and access to international markets for the LDCs.

#### Impact
- The LDCs are empowered to use trade and investment to integrate into global trade for sustainable development and poverty reduction.
**STRENGTHENED INSTITUTION AND POLICY MECHANISMS**

- **48** EIF countries with:
  - Trade integrated into their NDP
  - Quality functioning public-private coordination mechanisms
  - Quality trade and investment policies formulated and updated

**DTIS developed and/or updated**

- **49**

**INCREASED EXPORTS AND ACCESS TO INTERNATIONAL MARKETS**

- **≈1.5m**
  - Tonnes of production generated through EIF interventions
- **120**
  - New international markets accessed

**IMPROVED PARTICIPATION IN STRATEGIC VALUE CHAINS**

- **55%**
  - Beneficiaries from EIF-funded productive sector projects are women

**IMPROVED TECHNOLOGY USE**

- **45**
  - E-commerce initiatives undertaken
- **78**
  - New technologies adopted

**LEVERAGING ADDITIONAL INVESTMENT FOR LDC DEVELOPMENT**

- **50**
  - EIF projects receiving additional funding from governments and development partners
- **350**
  - Projects funded by development partners related to DTIS action Matrix
The Enhanced Integrated Framework brings together partners and resources to support the Least Developed Countries in using trade for poverty reduction, inclusive growth and sustainable development.