

WORLD TRADE ORGANIZATION

WT/COMTD/IF/18
3 March 1998

(98-0818)

**Committee on Trade and Development
Integrated Framework for Trade-Related
Technical Assistance**

Original: English

TRADE-RELATED TECHNICAL ASSISTANCE NEEDS-ASSESSMENT
PRESENTED BY EQUATORIAL GUINEA

INTEGRATED RESPONSES BY IMF, ITC, UNCTAD,
UNDP, WORLD BANK AND WTO¹

EQUATORIAL GUINEA

¹Published pursuant to the provisions of paragraph 5 (e) of the Integrated Framework for Trade-Related Technical Assistance (WT/LDC/HL/1/Rev.1).

TRADE-RELATED TECHNICAL ASSISTANCE NEEDS-ASSESSMENT
PRESENTED BY EQUATORIAL GUINEA

A. TRADE POLICY

(a) What are the sectors that you believe have unexploited or underexploited export potential?

The main sectors with considerable unexploited potential are: mining, agriculture and tourism, among others.

The underexploited ones include: forestry, livestock, petroleum, agriculture and fisheries.

(b) Could you please define your country's perspective of the reasons for any changes in the structure and direction of exports and imports?

We have no information available in this regard.

(c) What have been the objectives of trade policy in the most recent period, compared to, say, two decades ago?

As regards trade policy objectives in comparison with 20 years ago, we previously had a centrally-planned economy, while now we have a free market economy.

(d) What are the Ministries in charge of trade policy matters, including formulation, implementation, enforcement and monitoring? How is coordination made? What are the respective roles of the relevant Ministries (give particular attention to tariff policies and other policies directly affecting exports and imports of goods and services)?

The main Ministries in charge of trade policy matters are: the Ministry of Economy and Finance, the Ministry of Planning and Economic Development and the Ministry of Foreign Affairs and Cooperation. The Ministry of Foreign Affairs and Cooperation plays a coordinating role and acts as liaison between the outside world and the particular line ministries. The Ministry of Planning and Economic Development draws up national development plans by sector, while the Ministry for Economy and Finance is responsible for implementing tariff and other import-related policies, and for goods and services exports.

(e) How are the private sector and academic institutions associated with the formulation and conduct of trade policy?

The private sector and universities play no direct part. The private sector is still rather rudimentary and university institutions are still in their infancy.

(f) What are the institutions in your country that can play a role in implementation of a trade-related project at the local level? State their respective roles.

In addition to the Ministry of Economy and Finance, which is the body responsible for implementing the country's trade policy, trade services are also provided by the Directorate-General for Trade, mayors' and local government offices. The Directorate-General for Trade is responsible for implementing the trade policy drawn up by the Ministry and issues instructions to the bodies concerned.

(g) What are the main laws and regulations dealing with trade policy - on exports and imports? Please provide a short description of each.

Equatorial Guinea belongs to the Central African Customs and Economic Union (CACEU). The main trade-related laws and regulations are those that are applied in all the countries of the Union, such as: the CACEU customs tariffs, set out in Regulation 7/65-UDEAC-36 dated 14 December 1965 and Regulation 4/87-UDEAC-1938 dated 18 December 1987 of the Council of Heads of State of the CACEU. Among other things, these documents show the external tariff in the import duties column.

(h) What are the main instruments of trade policy - on exports and imports? Please elaborate (e.g. on import restrictions, the questions might be: on what products are there any import bans; on what products are there quantitative import restrictions; licensing requirements, etc.; what is the highest tariff rate currently in use; are there any excise taxes, other "domestic" taxes that are applied differentially to imported goods, or to goods of a type that are principally imported?).

There are no import restrictions in Equatorial Guinea, except for products declared dangerous by international agencies. The highest tariff rate currently in use is 145 per cent, levied on perfumery; there is also additional CACEU duties.

(i) In case you are a WTO Member or are in the process of acceding, how is your country preparing itself to comply with the WTO Agreements?

Equatorial Guinea is not yet a member of the WTO; arrangements are currently under way for membership.

(j) What is the state of familiarity with the WTO framework:

- among government and government-related agencies?
- in the private sector?

Government agencies have only superficial knowledge of the WTO framework.

(k) What are your technical assistance requirements with regard to your compliance with the WTO Agreements?

Our country's main technical assistance requirements are:

- (i) guidance in acceding to the WTO;
- (ii) assistance in conducting the feasibility study on trade in the country, as well as for elaborating a trade development project; and
- (iii) assistance in the field of investment, and on any other assistance that may be deemed necessary once the replies to this questionnaire have been analysed.

(l) In which specific areas of the WTO Agreements do you have technical assistance needs (e.g. market access, agriculture, rules (anti-dumping, subsidies, import licensing, rules of origin, safeguards etc.), TBT and SPS, Services, TRIPs)?

We have technical assistance needs in the following specific areas: market access, agriculture, import licensing, TBT and SPS, services and TRIPs.

(m) What is your assessment of your existing trade analysis and negotiating capacities, both multilateral and bilateral, in areas already covered by the WTO Agreements and other trade-related areas, e.g. competition policy and trade and environment?

Existing multilateral and bilateral trade analysis and negotiating capacities are still limited.

B. OBSTACLES TO TRADE EXPANSION

Obstacles to trade encompassing problems in export markets, infrastructure, human capacities, institutional bottlenecks, trade financing problems and gaps in trade information can inhibit a least-developed country from taking full advantage of trading opportunities.

Supply constraints, including institutional bottlenecks

(a) What are the main bottlenecks inhibiting the development of sustained export capacity of goods and services (e.g. customs facilitation, freight charges, quality management, elimination of cumbersome legal and administrative procedures, paucity of human skills, access at international prices to imported inputs, or inadequate telecommunication, port and transport facilities etc.)?

- Land-locked countries may face additional problems, such as having to ship using costly or unreliable transport and ports systems. In case this applies to your country, please indicate such problems. What kind of technical assistance would help you work out these problems?

A range of factors are inhibiting the development of sustained export capacity, including: lack of skilled personnel, insufficient information, inadequate quality management, deficiencies in production infrastructure, transport and port facilities.

(b) Are there any institutional bottlenecks, which may impede the efficient conduct of your country's trade policies? Provide details. For example, what are the problems perceived by the different actors, e.g. exporters, producers, service providers (banks, insurance companies, quality control, transporters etc), professional associations and Ministries? Are problems mainly perceived in the area of:

- (i) human resources**
- (ii) management of the institution**
- (iii) financial and material resources**
- (iv) communication**

No answer has been provided for lack of information in that regard.

(c) What are the main bottlenecks to export diversification?

The main bottlenecks to export diversification include: market access, lack of information about our products on the part of international economic players, the limited capacity of our companies, financing, lack of appropriate technology.

(d) If investment in the production of goods and services is inadequate, what are the main reasons? Please elaborate them (e.g. structural constraints, difficulties in attracting foreign investment, limited enterprise development, financing, lack of appropriate technology, etc.)

In addition to the problems discussed above, mention must be made of the difficulty in attracting foreign investment.

(e) Is there a national policy to encourage export-related investment opportunities? Please elaborate. What arrangements are in place for reviewing, drafting and negotiating contractual arrangements with foreign investors?

A foreign investment law has been enacted providing guarantees for foreign investment in the country, and allowing for the possibility of foreign remittances.

(f) What are the main obstacles to the transfer, development and acquisition of technology? Is there any national policy/strategy in this area? Please elaborate.

One of the most acute problems facing the country is the lack of a coherent policy on technology transfer.

(g) What are your technical assistance or other assistance needs with respect to supply constraints?

Our technical assistance needs with respect to supply constraints lie in the area of identifying already existing solutions and suggesting possible solutions in the light of what has been identified.

Trade Promotion and Trade Support Services

Trade promotion comprises an integrated set of technical and financial services to enhance the global competitiveness of enterprises and thus facilitate their entry and increasing participation in international trade.

(h) Do your enterprises, especially small and medium enterprises, experience difficulties in expanding their exports? What are these problems in the major export sectors?

The main problems observed are to do with the paucity of investment in production and the identification of markets.

(i) What are the problems for your enterprises in obtaining reliable and up-to-date information on export/import business opportunities?

The lack of direct contact with transnational corporations is another major problem.

(j) Can your enterprises offer products of internationally acceptable design, quality and packaging to foreign buyers? If not, what are the problems?

As regards the delivery of products, barring transportation difficulties, existing small and medium-sized companies are capable of meeting their contracted delivery deadlines, though technical assistance is needed in regard to quality control in order to measure up to international standards.

(k) What problems, other than in terms of trade policy, do you anticipate in developing the export of services (e.g. computer software, tourism)?

Other internal problems facing the development of trade are inadequate infrastructure and transportation facilities, and the problem is even more acute in the tourism sector.

(l) What are the technical/professional problems encountered by trade support institutions (e.g. trade promotion council, chamber of commerce, exporters association, etc.) in your country in providing their services to export/import enterprises?

There are technical problems with respect to trade in the country, which is why the role played by the Council of Trade Promotion, the Association of Exporters and the Chamber of Commerce is more formal than functional.

(m) What problems and deficiencies are experienced by enterprises in their international purchasing and inventory management?

There is no information available in this regard.

(n) What are the present availability and arrangements for trade finance facilities (e.g. export credit guarantees, etc.)? Are there any perceived deficiencies in this area?

There are neither formal arrangements nor financial availabilities for export promotion.

(o) What are the main problems in the way of improving export/import management skills of your business enterprises? Do you have training programmes in the country? What are the deficiencies?

The upgrading of management skills would naturally call for a general business education; the interest and the programme exist, but we lack both the resources for implementing it and experts in that field.

(p) Does your trade representation service actively promote your trade? What are the weaknesses?

We have not always been successful in promoting our trade, as we lack the requisite techniques and technology.

(q) Briefly describe your technical assistance needs in the area of trade promotion and support services.

All trade promotion and support activities in the country are in their initial stages.

Market access

(r) What are your main market access problems?

Lack of information on market trends, owing to non-participation in trade fairs.

(s) What specific problems or barriers, and in which countries, are most troublesome for your exporters?

This question has not been answered because of lack of information in this regard.

(t) Regional and sub-regional trading arrangements (RTAs): please list RTAs to which your country belongs. Are you satisfied with the performance with these RTAs? Please state the problems of each. Do you have suggestions on how to solve these?

Guinea is a member of the CACEU and benefits only from imports, as its exports are extremely limited owing to the small number of manufacturing industries in the country. Nevertheless, Guinea's main export products are the same as those of the countries in the Union.

(u) Are there any problems in utilizing the existing market access preferences, such as GSP, GSTP? Please state the nature of problems relating to each of these.

The country has in fact never utilized any of the market access preferences, whether the GSP or GSTP.

(v) What are your technical assistance needs with respect to market access?

Our trade-related technical assistance needs are acute, not only with respect to market access, but in regard to all spheres of commercial life (identifying markets, market studies, etc.).

C. TECHNICAL ASSISTANCE

Technical assistance is normally provided to developing and least-developed countries to build or enhance their human resources and institutional capacities, provide trade information and trade-related legal support, as well as improve their supply capabilities in order to make them more active players in the field of multilateral trade.

(a) To the extent this kind of information is easily available, could you please briefly describe what trade-related assistance you have received over the past five years from bilateral and multilateral sources and what projects/programmes are presently under consideration in this area?

We have never ever received trade-related technical assistance, nor has there ever been a programme in that regard, as our trade is rather underdeveloped.

(b) Please summarize your technical assistance needs as well as other needs as reflected in this check-list. Please rank them in terms of priority.

- (i) We need legal technical assistance in drawing up a package of trade laws that are in conformity with the rules and regulations of the WTO.
- (ii) Technical assistance in human resource development and training.
- (iii) Technical assistance in drawing up and adopting a trade policy appropriate to the country.
- (iv) Technical assistance in the spheres of information, communication and adequate trade practices.

- (v) Technical assistance in the management and promotion of national trade.
- (vi) Technical assistance in drawing up a trade development plan for the country.
- (vii) Any other technical assistance that would be useful.

(c) In the light of the information you have been able to provide so far in response to the questions in this check-list, what types of information are, in your view, still missing or could be improved upon? In order to assist you in providing this missing information, would you need technical assistance?

Yes, in regard to the questions that have not been answered.

(d) Does your country have the technological capacity and human resources to make use of the new information/ communication technology tools such as CD-Rom, the Internet etc.? What assistance would you need to enable your country to use these tools in the context of training and, more generally, in the context of trade development?

The country does not have the technological capacity to make use of CD-Roms and the Internet, and therefore needs technical assistance in that regard; besides, currently available human resources lack training in the use of these tools, and the required infrastructure is not available.

INTEGRATED RESPONSES BY IMF, ITC, UNCTAD,
UNDP, WORLD BANK AND WTO

EQUATORIAL GUINEA

Technical assistance needs identified in the questionnaire	Organization	Response
In reply to question A(k) : <u>Technical assistance requirements as regards compliance with WTO Agreements</u>		
Our country's main technical assistance requirements are:		
(1) Guidance in acceding to the WTO	WTO	Specific assistance will be provided by the WTO in connection with the country's accession process.
	UNCTAD/ UNDP (WIPO) UNCTAD	Regional workshop in the region to train government officials and private sector representatives and NGOs in policy and rulemaking under WTO. In addition UNCTAD will organize workshops and Seminars in direct support to WTO negotiating process, including accession.*
	World Bank/ WTO	A regional seminar will be conducted in June 1998 on trade policies in the WTO environment.
(2) Assistance in conducting the feasibility study on trade in the country, as well as for elaborating a trade development project	Agencies ITC	Agencies indicated a willingness to cooperate with the Government to identify specific needs in operational terms and establish priorities. Further consultations with the Government will be necessary to develop specific projects and programmes and to explore funding. ITC is presently discussing details for fielding a programming mission.
(3) Assistance in the field of investment, and any other assistance that may be deemed necessary once the replies to this questionnaire have been analyzed.		

*Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question A(l) :</p> <p><u>Technical assistance needs as regards specific WTO Agreements</u></p>		
We have technical assistance needs in the following specific areas:		
Market Access	WTO	<p>A national seminar in 1997/1998</p> <p>- specialized regional seminars will be organized for the french-speaking least developed countries in 1998 and 1999.</p> <p>- A three-week trade policy training course will be organized for the French-speaking least developed countries in 1998 or 1999.</p>
	World Bank/ WTO	See A(k).
Agriculture	WTO	See immediately above under "Market Access".
Import Licensing	WTO	See immediately above under "Market Access".
TBT	WTO	See immediately above under "Market Access".
SPS	WTO	See immediately above under "Market Access".
Services	UNCTAD	Assistance will be provided to develop endogenous national policy-making capacity in areas of domestic service sector policy and multilateral negotiations on services.*
	WTO	See immediately above under "Market Access".
TRIPS	WTO	See immediately above under "Market Access".

*Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question A(m):</p> <p><u>Assessment of the existing trade analysis and negotiating capacities</u></p>		
<p>Existing multilateral and bilateral trade analysis and negotiating capacities are still limited.</p>	ITC	See A(k)2.
	<p>UNCTAD/ UNDP/ <i>(African Economic Research Consortium, or AERC)</i></p>	<p>Based on a synthesis of sectoral studies, UNDP in 1998 and 1999 will organize, in cooperation with UNCTAD, subregional seminars and brainstorming workshops to assist government officials in preparing negotiating positions for future WTO negotiations.</p>
	WTO	See A(l).

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question B(g) :</p> <p><u>Technical assistance needs as regards supply constraints</u></p>		
<p>Our technical assistance needs with respect to supply constraints consist of identifying solutions to the identified problems, including:</p>	ITC	See A(k)2.
<p>1. Lack of skilled personnel</p>		
<p>2. Insufficient information about our products on the part of international economic players.</p>		
<p>3. Inadequate quality management</p>		
<p>4. Deficiencies in production infrastructure</p>		
<p>5. Inadequate transport and port facilities</p>		
<p>6. Market access</p>		
<p>7. Financing</p>		
<p>8. Lack of appropriate technology; lack of coherent policy on technology transfer</p>		
<p>9. Difficulty in attracting foreign investment.</p>		

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question B(q) :</p> <p><u>Technical assistance needs in the area of trade promotion and support services</u></p>		
	ITC	See A(k)2 with reference to the below-mentioned technical assistance needs.
<p>All trade promotion and support activities in the country are in their initial stages. Some of the problems identified are:</p>		
<p>1. Quality control in order to measure up to international standards</p>		
<p>2. There are neither formal arrangements nor financial availabilities for export promotion.</p>		
<p>3. The upgrading of management skills would naturally call for a general business education; the interest and the programme exist, but we lack both the resources for implementing it and experts in that field.</p>		
<p>4. We have not always been successful in promoting our trade, as we lack the requisite techniques and technology.</p>		
<p>5. Paucity of investment in production and the identification of markets; lack of market studies</p>		
<p>6. Lack of direct contact with transnational corporations</p>		
<p>7. Inadequate infrastructure, in particular in the tourism sector</p>		
<p>8. The role played by the Council of Trade Promotion, the Association of Exporters and the Chamber of Commerce is more formal than functional, due to technical problems with respect to trade in the country.</p>		

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question C(b) :</p> <p><u>Summary of technical assistance needs according to priority</u></p>		
1. We need legal technical assistance in drawing up a package of trade laws that are in conformity with the rules and regulations of the WTO.	WTO	Assistance will be provided by the WTO at the appropriate time.
2. Technical assistance in human resource development and training.	ITC	See A(k)2.
	WTO	See A(l).
3. Technical assistance in drawing up and adopting a trade policy appropriate to the country.		See A(k)2, taking into account Equatorial Guinea's membership of the UDEAC.
4. Technical assistance in the spheres of information, communication and adequate trade practices.	ITC	See A(k)2.
	UNCTAD	Assistance will continue to be provided through TRAINS CD-Rom.
	WTO	See A(l).
5. Technical assistance in the management and promotion of national trade.		
6. Technical assistance in drawing up a trade development plan for the country.		See A(k)2.

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question C(d) :</p> <p><u>Technical assistance needs in the area of information technology including training of human resources</u></p>		
<p>The country does not have the technological capacity to make use of CD-ROMs and the Internet, and therefore needs technical assistance in that regard; besides, currently available human resources lack training in the use of these tools, and the required infrastructure is not available.</p>	UNDP	Through project RAF/97/021 will assist the Government to design a strategy to promote the use of Internet.
	WTO	The WTO will place a computer and a laser printer at the disposal of the Ministry of Trade. It will also provide the focal point with the necessary Internet connections and supply educational CD-Roms.

Currently the **World Bank** has only one active project which is a health sector credit. No new technical assistance or lending is foreseen at the moment.
