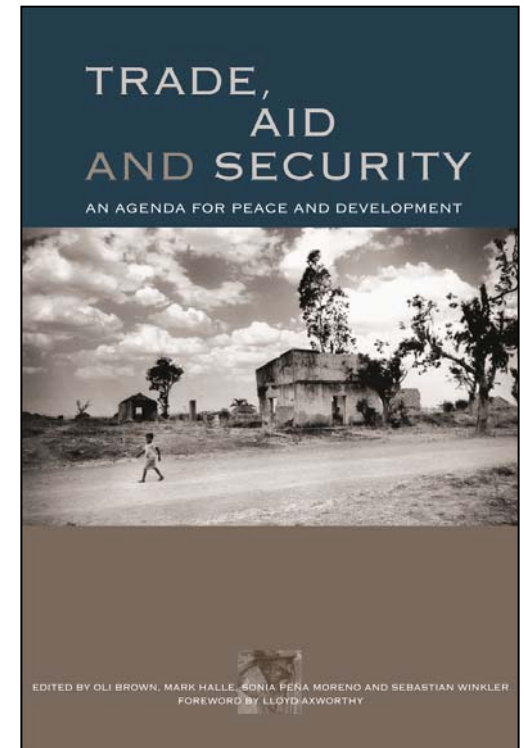




TRADE, AID and SECURITY

an agenda for peace and development



July 11th 2007

at the Woodrow Wilson International Centre for Scholars

policy objective 1:

DESIGNING CONFLICT-SENSITIVE TRADE POLICY

- Reduce market access barriers, subsidies and tariff escalation that prevent diversification
- Refrain from negotiating bilateral or regional trading agreements that go beyond multilaterally agreed trade liberalization
- Provide more capacity building ('aid for trade') to help countries benefit from and adapt to trade openness

policy objective 2:

DEVELOPING CONFLICT-SENSITIVE AID

- Recognize links between aid and conflict; mainstreaming conflict prevention into development aid, ensuring coordination with peacekeeping forces, etc.
- Pay closer attention to the 'resource curse', harmonizing aid policies with policies on governance
- Develop funding mechanisms to secure predictable funding and protect from price shocks
- Break the link between short-term strategic interests and foreign aid
- Increase transparency of aid payments, put in domestic checks and balances

policy objective 3:

PROMOTING 'GOOD' GOVERNANCE

- Consider impact of existing policies on governance
- Carefully assess the likely impacts of governance interventions
- Build on existing reforms, align with domestic priorities
- Be patient, consistent and realistic
- Design trade and aid agreements that provide real incentives



policy objective 4:

RESTRICTING TRADE IN 'CONFLICT RESOURCES'

- Definition of conflict resources at the Security Council
- Establish professional capacity in the Security Council to advise on sanction regimes
- Strengthen existing licensing systems
- Improve natural resource management in peacekeeping missions where natural resources have led to conflict
- Ensure public procurement policies exclude illegal/ conflict resources
- 'Sin bins' on access to government procurement for companies proven to trade in conflict resources

policy objective 5:

FOSTERING RESPONSIBLE BUSINESS PRACTICE

- Establish international norms for rights, responsibilities and liabilities of companies
- Develop robust criminal and legal mechanisms for companies in violation of IHL
- Increase resources for investigation of corrupt practices
- Implement complementary public policies that reward best practice



policy objective 6:

MANAGING REVENUES FROM NATURAL RESOURCES AND AID

- Strengthen EITI and IMF Guide on Resource Revenue Transparency – an International Extractive Sector Transparency Agreement
- Create effective revenue management mechanisms
- Reinvigorated the debate on income stabilization mechanisms



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