
APPENDIX A2: CONCEPTUAL FRAMEWORK FOR THE EVALUATION

Capturing the overall development effectiveness of the Bank's trade work is difficult for three reasons:

- First, several country conditions influence the effectiveness of trade reforms and assistance: the country's macroeconomic environment, its endowments, non-trade factors in the investment climate (notably institutions), governance and political economy, and institutional capacity. While the Bank may support countries in some of these areas, it is important to attempt to disentangle (a) the Bank's actual contribution and (b) the relative importance of these other determinants.
- Second, a host of international external factors also influence government attitude toward trade reform and its ability to implement reforms; especially relevant are commodity price shocks, market access, and the country's participation in regional, bilateral, or multilateral trading arrangements.
- Third, other actors such as the private sector, bilateral and multilateral development agencies, and nongovernmental organizations may influence the pace and nature of reforms. These external variables and the extent to which Bank support and assistance takes them into account are important determinants of the results achieved.

The conceptual framework underpinning the evaluation's analysis is illustrated in figure A2.1. It builds on a logical framework of the links be-

tween Bank actions and outcomes and impacts. The main apparent desired *outcome* of the Bank's support for trade is improved trade performance: higher export volumes, faster export growth rates, a more diversified basket of exports, cheaper and more readily available imported inputs, and greater integration in the global economy. The assumption (often explicitly stated) is that expanded trade will contribute to the Bank's overarching goal of poverty reduction in two ways—by contributing to overall economic growth and by creating jobs—with an overall beneficial *impact*.

The Bank's approach to helping countries achieve better trade performance has been to use its budget, staff, and partnerships through lending, economic and sector work, policy advice, and technical assistance to clients, as well as research and advocacy (*inputs*). The outcomes associated with these inputs depend to some extent on the policies and strategies followed by governments; they are expected to improve the competitive environment for exporters, reduce rent-seeking opportunities, improve access to imported inputs, and strengthen the institutional capacity of officials and institutions dealing with trade-related issues. Through this support, the Bank influences trade-related *outputs*—for example, commitment by governments and the actual trade reforms they introduce and improved customs clearance times for exporters. These in turn are expected to contribute to improved trade performance *outcomes*.

Figure A2.1. Conceptual Framework for the Evaluation

