

The second ARTNet Consultative Meeting of Policy Makers and Research Institutions will be held on 6-7 October 2005, back-to-back with Delivering on the WTO Round: A High-level Government-Business Dialogue for Development (4-6 October 2005).

The meeting will be hosted by the University of Macau, Macao, China, to discuss on-going trade research studies of the network and its members with participating policymakers and researchers, as well as to finalize and approve the ARTNet research programme 2005-06. Selected ARTNet members will also participate in the High Level Dialogue organized in cooperation with ITC UNCTAD / WTO and the Government of Macao, China.

From the ARTNet Secretariat

On behalf of all the members, we would like to warmly welcome our two newest members, ICRIER and Peking University, as well as our three Permanent Advisors for Research, Professors Jagdish Bhagwati, Alan Deardorff and John Whalley (for details, see page 3).

As you will witness in this newsletter, this quarter has been a busy one for ARTNet. Many of the network members have been working hard to implement the research programme approved last year, with a view to presenting preliminary results at the forthcoming ARTNet Consultative Meeting. In this context, the provision of technical and financial support by the WTO to complement that already provided by UNESCAP and IDRC to the network has been very much welcome (see page 2).

The ARTNet website was also launched during this quarter, as part of the network's strategy of enhancing dissemination of research findings to policymakers at the regional level (see page 3). We look forward to your support and contributions to the website.

ARTNet Research Programme: Implementation Update

A. Regional Study on Agricultural Trade Liberalization

On 8-9 August 2005, researchers currently working on the Regional Study on Agricultural Trade Liberalization met at the Institute for Policy Studies (IPS), Colombo, Sri Lanka, to review their respective progress and discuss the next steps. [Continued on page 2]



ARTNet Research Team Meeting in Colombo

Upper right to left: Biswajit Dahr (IIFT); Manoj Thibbotuwawa and Parakrama Samaratunga, IPS; Uttam Deb, CPD; Yann Duval, UNESCAP.
Bottom right to left: Mia Mikic, UNESCAP; Gloria Pasadilla, PIDS.

Trade Research Capacity Building: What Do Research Institutions Need?

As part of the ARTNet initiative, the Cambodia Development Research Institute (CDRI) has undertaken a survey of research institutions in low-income developing countries of the Asia-Pacific region, including government and private institutions as well as university-affiliated centers and academic departments.

Preliminary results show that trade-related research outputs of these institutions represents less than 50 percent of their total research output, even if their trade research capacity seems quite significant: a majority of them declare having researchers with either Master or PhD degrees, and with more than 5 years of experience. The study also suggests that most of these researchers possess adequate skills in qualitative and quantitative analysis, and in writing research proposal or policy briefs. [Continued on page 4]

ARTNeT Research Programme: Implementation Update

A. Regional Study on Agricultural Trade Liberalization

[Continued from page 1] During the meeting, the overall structure of the study was revisited and it was agreed that only a few changes in the original structure was needed. The agreed study outline is now as follows:

Chapter 1: Trade Liberalization and Agriculture: Literature Survey and Policy Research Needs

Chapter 2: Mapping and Analysis of South Asian Agricultural Trade Liberalization Efforts

Chapter 3: Mapping and Analysis of East and Southeast Asian Agricultural Trade Liberalization Efforts

Chapter 4: Analysis of Chinese Agricultural Trade Liberalization Efforts

Chapter 5: Agricultural Trade Liberalization in Asia-Pacific: Scenario and Impact Analysis

Chapter 6: Rules of Origin and Non-Tariff Barriers in Agricultural Trade: Perspectives from Bangladesh and Cambodia

Chapter 7-X: Contributions from ARTNeT partner institution or/and members [tentative and to be decided after the Macao meeting]

Chapter 8: Summary of Policy Conclusions and Recommendations (Synthesis Chapter)

The Institute of Policy Studies, Sri Lanka, is leading the research effort, assisted by researchers from four institutions in the region: Gloria Pasadilla, PIDS (Chap. 2); Shunli Yao, Peking University (Chap. 4); Jay Bandaralage, Griffith University (Chap. 5); and Uttam Kumar Deb, CPD (Chap. 6). Biswajit Dahr, IIFT, is the ARTNeT Technical Advisor for the study. The Food and Agriculture Organization (FAO) of the United Nations is currently considering to contribute a chapter to the study, most likely on agricultural trade liberalization and food security.

B. Short-Term Research Studies

Three new short term research proposals were approved for funding through ARTNeT during the last quarter, following the call for proposals:

'The Role of Generalized System of Preferences Schemes for Sustainable Development: Mongolian Cashmere Trade and Environmental Vulnerability' [National University of Mongolia];

'Investment Liberalization Strategies in the Service Sector: Lessons for Domestic Health Service Sector of LDCs in Asia and the Pacific' [Tribhuvan University, Nepal];

'Study on LDCs Interest in the Proposed Changes to the Special and Differential Treatment at the WTO' [CPD, Bangladesh].

WTO confirms support to ARTNeT Research Program

In addition to the technical support it provided for the training of junior trade researchers during the first quarter of the year, the WTO Secretariat has now provided financial support to the ARTNeT research programme 2004-05 to complement that already provided by IDRC. This support has allowed funding of an additional short-term study, as well as two additional research papers on regional agricultural trade liberalization and trade facilitation, respectively, with a focus on issues faced by LDCs and countries that have recently acceded to the WTO.

C. Thematic Research Project on Trade Facilitation

On 25-27 May 2005, the ARTNeT Research Team Meeting on Trade Facilitation was held in Bangkok, Thailand, to review progress on the preparation of the four country case studies on the need for and cost of selected trade facilitation measures related to the WTO negotiations (in Bangladesh, China, India, and Indonesia).

In addition to the research team members and staff from the ARTNeT Secretariat, participants to the meeting included trade facilitation researchers from CUTS, OECD, and UNCTAD (some via video conferencing). Florian Albuero, Univ. of the Philippines, and Donald Lewis, Univ. of Hong Kong, also participated in the meeting and have since become ARTNeT Technical Advisors on trade facilitation.

The meeting was held back-to-back with the UNCTAD/ESCAP Roundtable on WTO Negotiations of GATT Articles V, VIII and X, which gave an opportunity for all the research team members to meet with Geneva-based negotiators and government officials involved in trade facilitation, as well as to learn from trade facilitation experts from WCO, UN/CEFACT, and other organizations.

[Continued on page 4]

Long life to www.artnetontrade.org!

It is with great pleasure that the ARTNeT Secretariat announces the birth of the Network's dedicated website: www.artnetontrade.org. It was first launched on June 2005 and is currently being upgraded with new content and functionalities.

The purpose of the website is to enhance the dissemination of relevant trade research findings to policymakers as well as to facilitate the sharing of information among research institutions of the region.



ARTNeT dedicated website's homepage

The website currently features background information about ARTNeT, presentation and updates of the on-going research efforts as well as recent and upcoming ARTNeT events and activities. The Secretariat welcomes request to announce major trade-related events, publications, and activities of members and partners with relevance to the region.

Direct links to ARTNeT members' and partners' websites are provided. More importantly, a comprehensive directory of trade-related publications issued by institutions member of ARTNeT between January 2003 and July 2005 has been developed. Publications are classified by topic as well as by institutions, with easy one-click online access to full text publications (when available). The directory may be upgraded into an online database, depending on the interest expressed by participants during the forthcoming ARTNeT Consultative meeting.

Policy briefs and literature review snapshots on selected trade topics are expected to be uploaded to the site in the coming weeks. Junior researchers from the region are welcome to contribute literature reviews on selected trade topics.

Welcome...

...to our New Members

The Indian Council for Research on International Economic Relations (ICRIER), which over the years has emerged as a kind of "service expert" in WTO-related research areas.

The Institute of the Chinese Economy and WTO Studies, Peking University, which is housed within Peking University's Guanghai School of Management, a leading business school in China, giving it access to excellent intellectual resources and high-level official and academic networks.

... and New Permanent Advisors for Research

Professor Jagdish Bhagwati is the Arthur Lehman Professor of Economics at Columbia University and served as economic policy advisor to the director general of GATT as well as special adviser to the UN on Globalization. Professor Bhagwati has published more than three hundred articles and fifty volumes. He is regarded as one of the foremost international trade theorists of his generation.

Professor Alan Deardorff is the John W. Sweetland Professor of International Economics and Professor of Public Policy. His research focuses on international trade. With Bob Stern, he has developed the Michigan Model of World Production and Trade, which is used to estimate the effects of trade agreements.

Professor John Whalley is a Professor of Economics at both the University of Warwick UK and the University of Western Ontario, Canada. At Warwick he is a co-director of the Centre for the Study of Globalization and Regionalization, and at Western Ontario he is a co-director of the Centre for the Study of International Economic Relations.

The three Permanent Advisors for Research will provide strategic guidance on the ARTNeT research programme and its implementation.

Trade Research Capacity Building: What Do Research Institutions Need?

[Continued from page 1] The crucial gap seems to be in modeling expertise, e.g. Computable General Equilibrium (CGE) and gravity models.

The most important needs among research institutions appear to be the following. First, access to trade research training programs, particularly on quantitative analysis skills such as evaluation and assessment of trade policy impacts, and analytical techniques i.e. CGE, GTAP and other modeling and simulation methods. Second, funding for trade-related research. Third, free and wider access to trade data of international organizations and governmental statistical offices, as well as wider access to the trade literature through free web subscription to relevant journals and publications. Fourth, some research institutes would benefit from in-house or resident trade experts or technical advisors, and participation in joint projects. Fifth, funding for post-graduate training of their staff.

The supply response to these needs have varied considerably, ranging from regional consultative meetings of trade researchers and policy makers, regional research projects, exchange programs, online access to literature reviews, surveys and working papers, short-term training courses (typically 3-6 months), and fielding of technical advisors. Research institutions, however, have repeatedly made a case for the provision of regular, long-term research and training programs as crucial to the building of core capacity and skills. Moreover, they suggest partnership programs between well-established and strong research institutions with (weaker) research institutions in the Asia-Pacific region, especially those in LDCs, through joint-research projects, exchange programs for academics, research fellowships and access to experienced mentors in the field. [Source: CDRI, www.cdri.org.kh]

C. Thematic Research Project on Trade Facilitation

[Continued from page 2] All team members pointed to the lack of available literature and proven methodologies to determine needs, costs and priorities of trade facilitation measures as a major challenge of the study. Discussions also focused on the extent to which harmonized instruments and methods should be used in conducting the various country case studies.

The following research steps were identified during the discussions, in line with the case study outlines and the ARTNeT research guide developed by the Secretariat: (1) Assessment of the trade facilitation situation, in relation to articles V, VIII and X of the GATT using a shortened version of the WCO self-assessment checklist designed by the WTO Secretariat; (2) Identification of needs for selected trade facilitations measures using an harmonized private-sector survey instrument; (3) Estimation of costs associated with identified trade facilitation measures, which may include human resources-related costs, infrastructure costs, time and political costs; (4) Prioritization of trade facilitation measures, based on traders perceived needs/benefits and expected cost and benefits for governments.

Preliminary results will be presented at the forthcoming ARTNeT meeting as well as at the OECD Global Forum on trade facilitation to be held in Colombo, Sri Lanka (18-19 Oct. 2005).

News from Members

• **Cambodia Development Resource Institute (CDRI) – Job offer – Technical Advisor in Macro-economy, trade and industry**

<http://www.cdri.org.kh/jobeco.htm>

CDRI, Cambodia's leading independent development research and policy institute, is seeking a Technical Adviser – Macro-economy, Trade and Industry. The Technical Adviser will work as advisor and provide support to CDRI's Macro-economy and Trade Unit, and its programme of policy oriented research in these areas.

• **Young Scholars' Seminar Series (YSSS) of the Center for Policy Dialogue (CPD)**

<http://www.cpd-bangladesh.org/activities/ysss.html>

The YSSS program is a new initiative under the direction of Dr. Uttam Deb, CPD Research Fellow. It gives young CPD researchers an opportunity to present their research work to the CPD community, enabling them to expand their presentation experience and gain from the discussion on the themes of their work.