



Asia - Pacific Research and Training Network on Trade Newsletter



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Implementation of the growing number of activities and research projects approved during the Multi-stakeholder Steering Committee meeting in Macao last year is under way. A number of regional research teams have now begun work, particularly on trade facilitation and regional integration issues, and we can now look forward to discussing the team's preliminary findings before the end of the year.

We are pleased to see that ARTNeT research outputs are being increasingly recognized and utilized regionally and globally – for example, in the trade facilitation session of the 2008 WTO Regional Trade Policy Course at the National University of Singapore. ARTNeT case studies on trade and investment policy coherence were also discussed at the OECD Global Forum on Investment in Paris- and hope this will continue in this new phase.

While success will ultimately depend on member institutions and their researchers, as well as on governments' and other stakeholders' willingness to collaborate and contribute ideas to ensure the policy relevance and quality of the outputs, we look forward to providing a continuous and proactive support to ARTNeT.

The ARTNeT Secretariat, TID, UNESCAP

ARTNeT Research Programme 2008: Six short-term studies and two regional studies now on-going

More than twenty-five eligible short-term study proposals were received this year. Following two rounds of reviews, six among ten short-listed proposals were approved and are now being conducted with financial support from ARTNeT core partner WTO. Regional research studies on two of the three priority research themes have also begun, with research teams set to meet in Bangkok in July to assess progress. [for details see page 2]

ESCAP/WTO ARTNeT Capacity Building Workshop for Trade Research Held

On 2-6 July 2008, the ARTNeT Capacity Building Workshop for Trade Research was held in Phnom Penh, Cambodia. The event, jointly organized by ESCAP and WTO in cooperation with UNCTAD, the Royal School of Administration of Cambodia and the Cambodia Development Resource Institute brought together 20 trade researchers from developing and least developing countries. [see box 1 on page 2]



ARTNeT GMS Update

Subregional research teams on Greater Mekong Subregion (GMS) competitiveness and on Services trade and growth have initiated work. The services and growth team held its first research team meeting in April 2008 in Bangkok and has since made good progress in collecting relevant data. The GMS trade competitiveness team met in Phnom Penh in June on the side of the ARTNeT Capacity Building on Trade Research.

An ARTNeT GMS Capacity Building Workshop on Regional Integration and Competitiveness: The European Experience was also held from 24 – 26 June 2008, which provided an opportunity for researchers and government officials from planning and/or commerce ministries to interact with each other and discuss regional integration issues. [for details see page 3]

ARTNeT Regional Studies

Under priority theme 2 (Trade Facilitation (TF) and Development of Related Services Sectors), the following research team has now begun work on “The Impact of Information Technology (IT) in Trade Facilitation on Small and Medium Enterprises” Uttam Kumar Deb, Centre for Policy Dialogue (CPD), Bangladesh, Sachin Chaturvedi, Research and Information System for Developing Countries, India, Junsook Yang, The Catholic University of Korea, Republic of Korea, Suwendrani Jayaratne, Institute for Policy Studies (IPS), Sri Lanka, Lorelei De Dios, Centre for the Advancement of Trade Integration and Facilitation (CATIF), University of the Philippines, Philippines. The study is led by Florian Albuero, CATIF, University of the Philippines, Philippines.

Under priority theme 3 (Multilateral Trade Liberalization and Regional Integration), team leader Dionisius Ardiyanto Narjoko, Centre for Strategic and International Studies (CSIS), Indonesia, supported by Raymond Atje (CSIS), and the following research team members will be meeting on 21 July in Bangkok to initiate work: Moazzeem Golam Khondaker, CPD, Bangladesh, Ramasamy Ambigaibalan, China Europe International Business School, China, Biswajit Nag, The Indian Institute of Foreign Trade, India, and Archanun Kohpaiboon, Thammasat University, Thailand.

Members of the research team that will be working on theme 1 (Trade, investment, and domestic policy coherence for inclusive growth) are still under consideration.

ARTNeT Short-Term Studies 2008

The following 6 studies are now on-going:

- *Social Development and Trade in Asia* by Nilajan Banik, Centre for Advanced Financial Studies, India
- *Analysis of the Potential Impact of WTO Accession on Poverty* by Phouphet Kyophilavong, National University of Laos (NUL), Lao PDR
- *Textile and Clothing Clusters in China and their Expansion to LDCs in Asia-Pacific* by Jinmin Wang, Yucong Ru, Zhejiang University, China and Fang Wei, Economic & Trade Commission of Zhejiang Province, China.
- *Improving Intra-Regional Trade in South Asia through Trade Facilitation* by Jeevika Weerahewa, University of Peradeniya, Sri Lanka
- *Trade and Investment Policy Coherence and Small Enterprises Development in Nepal* by Dilli Raj Khanal, Institute for Policy Research and Development, and Prakash K. Shrestha, Nepal Rastra bank, Nepal
- *Does Trade Liberalization Improve Woman Socio-economic Status and Gender Equity in Indonesia?* by Deni Friawan and Teguh Yudo Wicaksono, CSIS, Indonesia

Studies are expected to be completed by the end of the year. More information on www.artnetontrade.org

Box 1 - ESCAP/WTO ARTNeT Capacity Building Workshop for Trade Research

This workshop, now an annual event, is the fourth regional workshop of this kind organized by ESCAP in cooperation with ARTNeT core partners and the first held outside Bangkok. Its objective to build the capacity of junior researchers from participating institutions to undertake policy-relevant trade research and to promote exchange of information and knowledge among researchers.

The workshop brought together experts from WTO [Robert R. Teh Jr., Economic Research and Statistics Division], UNCTAD [Samuel Munyaneza, Trade Analysis Branch] and ESCAP [Mia Mikic and Yann Duval, Trade and Investment Division] to introduce researchers to the international trading system and the importance of trade research, as well as to the main analytical techniques and data sources available to conduct research in this field, and in particular on trade competitiveness. Hossein Jalilian, Research Director, Cambodia Development Resource Institute (CDRI), Cambodia, also presented recent research findings on Globalization, Trade and Poverty and Shahid Ahmed, Economist, UNCTAD India Programme, New Delhi, India discussed the linkages between trade and gender. Participants also had the opportunity to meet with Evan Due, International Development Research Centre, who introduced participants to relevant IDRC programmes and opportunities for researchers.

A post-workshop call for proposals has since been issued to give an opportunity to participants to apply the skills learned during the workshop. Participants who produce a complete draft paper using tools acquired during the workshop will be invited to participate in the ARTNeT meetings in Manila and to discuss their work with relevant experts and advisors.

ARTNeT GMS Capacity Building Workshop on Regional Integration and Competitiveness: The European Experience

This workshop, held on 24 – 26 June 2008 in Bangkok was organized by ESCAP to provide GMS researchers a more detailed understanding of how the European Union, as the most advanced example of regional integration, has tackled the economic and social discrepancies among its members to ensure a more harmonized and coherent development of the region.

The workshop was conducted by Francois Bafoil, Research Director at CNRS, Center for International Studies and Research (CERI), Sciences Po, a specialist of Poland and EU policies aimed at facilitating integration of new EU members from Eastern Europe.



Participants invited to the workshop included researchers from the institutions involved in the ARTNeT GMS studies as well as government officials from Ministries in charge of trade or/and planning. The workshop, conducted in an interactive manner, was highly appreciated and it is expected that the new knowledge acquired will increase the participants' ability to design and deliver pertinent policy studies on regional integration and competitiveness of the GMS countries.

ARTNeT GMS Study on the Political Economy of Regional Integration in the GMS

This study aims at understanding the drivers of regional integration in GMS countries and the characteristics and interactions of the various stakeholders influencing the cooperation and integration programmes/processes in which GMS countries are involved. The study is expected to yield recommendations on how to increase the coherence and inclusiveness of GMS countries integration's efforts. Larry Strange, Executive Director of CDRI, Cambodia and Hank Lim, Singapore Institute of International Affairs, are team leader and advisor, respectively of the study.

ARTNeT GMS Study on Competitiveness

This study is conducted with the twin objective to develop the research capacity of three CLV team members and to deliver useful research-based policy inputs to policymakers. Following an initial research team meeting in Phnom Penh on 6 June, Mr. Chan Hang Siang, CDRI, Cambodia, Mr. Ka Phaydanglobriayao, National University of Laos (NUL), Lao PDR, and Mr. Trung Dang Le, Centre for Analysis and Forecasting, (CAF), Vietnam are currently working on the following sets of issues: (1) Exchange rate policy and Competitiveness; (2) Drivers of competitiveness in the textile industry; and (3) Trade Finance and Competitiveness.

ARTNeT GMS Study on Services and Growth

This study aims at identifying barriers to trade and development of selected services in each of the five GMS countries and the Yunnan Province of China. Following a research team meeting held on 9-10 April 2008 in Bangkok, the team led by Khin Maung Nyunt, Mae Fah Luang University (MFU), Thailand decided to focus on two sectors: telecommunications and banking and insurance. Research team members responsible for collecting data and preparing country reports include: Chan Hang Saing, Cambodia Development Resource Institute, Bounlert Vanhnalat, NUL, Lao PDR, Rapipong Promnart, MFU, University, Thailand, Trung Quoc Tran, Ministry of Planning and Investment, Viet Nam Ms. Lu Yao, Yunnan Agricultural University, China and Mr. Aung Kyaw Oo, Federation of Chamber of Commerce and Industry, Myanmar.

The work of the team is supported by ARTNeT Research Advisor, Ma. Joy Abrenica, University of the Philippines, Philippines, as well as, by Buavanh Vilavong



Ministry of Industry and Commerce, Lao PDR, as Policymaker focal point for the study.

** More information on GMS studies are available on the ARTNeT GMS website. To access it, go to www.artnetontrade.org and click the GMS logo.

Two New ARTNeT Policy Briefs

ARTNeT Policy Brief No. 14, “**Post-Multifibre Arrangement Adjustments and China: After all, the Emperor is wearing no new clothes?**”. The brief, authored by John Whalley, William G. Davies Professor of International Trade, University of Western Ontario and Permanent Advisor to ARTNeT, discusses the evolution of textile and clothing agreements with China and draws parallels to those under the older Multifibre Arrangement (MFA).

ARTNeT Policy Brief No. 15, “**Trade and Investment Linkages and Policy Coordination: Lessons from Case Studies in Asian Developing Countries**” by Yann Duval, Debapriya Bhattacharya, Tilani Jayawardhana, Dilli Raj Khanan, Tazeen Tahsina, and Prakash Kumar Shreshta. The brief summarizes results and policy implications from exploratory surveys of private sector stakeholders on the need for increased trade and investment policy coherence conducted in Bangladesh, Nepal and Sri Lanka.

These and other ARTNeT Policy Briefs are available online in full at : www.artnetontrade.org.

NEW: ARTNeT Alerts on Emerging Policy Issues



The purpose of this new ARTNeT publication series is to provide a channel for policymakers and other informed stakeholders to alert the trade and investment research community to emerging policy challenges.

The first ARTNeT alert by Tiziana Bonapace, Chief, Trade Policy Section, Trade and Investment Division, ESCAP, suggests the need for more research on how trade policy frameworks can contribute to stable and inclusive growth.

Six new ARTNeT Working Papers issued

- Rina Oktaviani , Eka Puspitawati and Haryadi, **Impacts of ASEAN Trade Liberalization on ASEAN-6 Economies and Income Distribution in Indonesia**, AWP No. 51, January 2008.

- Khanal, Dilli Raj and Prakash Kumar Shreshta, **Trade and Investment Linkages in Nepal: Impact on Productivity and Exports and Need for Policy Coordination**, AWP No. 52, February 2008.

- Pasadilla, Gloria O. , **Financial services integration in East Asia: Lessons from the European Union**, AWP No. 53, March 2008.

- Trung, Tran Quoc , Nguyen Thanh Tung, Tran Duy Dong and Phan Hoai Duong, **Performance of export-oriented small and medium-sized manufacturing enterprises in Viet Nam**, AWP No. 54, April 2008.

- Duval, Yann, **Trade and Investment Linkages and Policy Coordination: Lessons from Case Studies in Asian Developing Countries**, AWP No. 55, May 2008.

- De, Prabir, Abdur, Rob Khan, and Sachin Chaturvedi, **Transit and Trade Barriers in Eastern South Asia: A review of the Transit Regime and Performance of Strategic Border Crossings**, AWP No. 56, June 2008.

These working papers are available online at www.artnetontrade.org. If you wish to contribute an ARTNeT working paper or a policy brief, please contact the ARTNeT Secretariat and email your drafts for consideration to artnetontrade@un.org

Upcoming Events

- ARTNeT-PEP Policy Forum on Trade, Investment and Domestic Policy Coherence for Inclusive Growth, 9 December 2008, Manila, Philippines.
- Research Workshop on Emerging Trade Issues for Developing Countries in Asia-Pacific Region, 10-11 December 2008, Manila, Philippines.

- Multi-Stakeholder Steering Committee Meeting of the Asia-Pacific Research and Training Network on Trade, 12 December 2008, Manila, Philippines.

Please visit our www.artnetontrade.org for more details.