Summary: GTAP Advisory Board Meeting 2006

Dates for next year's meeting: June 4-5, 2007 at Purdue University in West Lafayette, IN, USA

A. Summary of Goals and Accomplishments in the Past Year

See Board Report and Issues document:

https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2006/default.asp

B. Summary of Agency Activities in the Past Year

See: https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2006/agencies.asp

C. Major Points of Discussion

a. Center Finances and Staffing Plan

The Center currently employs 7 full time staff members and 6 graduate students, who work on both data and research related projects. Demands on the Center to improve the quality and scope of the GTAP Data Base have grown significantly over the lifetime of the project: the number of regions in the data base has expanded from 14 to 96; as areas of application expand, there are increasing demands for improved tax data, factor splits, environmental data etc., not to mention the numerous goals set out in the Center's 2004 strategic plan; and the GTAP network has grown to over 5000 individuals. In order to continue to improve the quality and scope of the GTAP Data Base, the Center needs to employ another person to assist with the production of the GTAP Data Base: further funding is therefore required. At the Board meeting it was clear that board members were reluctant to provide this additional funding at this point in time. Following the board meeting and subsequent discussions, a number of suggestions have been made which we hope to implement. Your feedback would be appreciated.

- We plan to begin indexing the board member fee by the average annual increase in wage rates provided to Center staff (4%).

  o This is based on the fact that wages constitute 90% of our core (non-course related) costs, and the average increase in wages and benefits over the last 5 years has been 4%.

  o The new board fee for 2007 would therefore be $18,200 and this would increase by 4% each year after that. The board contract would be adjusted accordingly.

  o Each year the Center would report the annual increase in wages at the board meeting and the rate of indexation would be reviewed, and potentially revised (up or down), every 5 years. It will be held constant for 5 years at a time to permit consortium members to plan ahead.

- o The last consortium membership fee was approved in 1998 and implemented January 1, 1999. With an average wage increase of 4 percent, our costs have increased 32% since that time. Increased consortium memberships have permitted us to absorb the higher costs while at the same time increasing services. However, we do not anticipate any significant increase in consortium membership at this time.

- o Many Board members currently pay their board fees two years in advance. Board members would now be permitted to pay up to 5 years in advance and advance payments would not be indexed.

- o We will accept comments on this plan for 30 days. Afterwards, the new fee structure becomes effective for the 2007 calendar year.

This should at least prevent the Center's core resources from declining in real terms. (Since the US dollar has been depreciating in value, this should have little impact for most consortium members.)

- Funding will be obtained in the short run through a variety of near term (1 – 2 year) projects, e.g., the Special African Data Base project discussed below.

- As discussed at the board meeting, a longer term funding solution, which is consistent with the current funding mechanisms in place; i.e., the board membership and data base sales, needs to be found. This will be a high priority over the next year and hence we are very interested in hearing of any potential sources of long term funding. A working committee will be established to examine alternatives.

b. Taxes

Prior to the release of the GTAP 6 Data Base it was recognized that relying on contributors of regional data to supply commodity and income tax information had resulted in patchy coverage of taxes in the GTAP Data Base. In the GTAP 6 Data Base improvements were made to incorporate better direct tax data (i.e. land, labor and capital taxes); however, we have continued to rely on contributors for indirect (commodity) tax data.

At the board meeting Gilbert Metcalf presented a comparison of the GTAP tax rates and the MIT methodology for incorporating taxes into the GTAP Data Base. The comparison examined both the direct and indirect taxes in the GTAP Data Base and found some large differences.

In the case of factor taxes it was shown that there was a tendency for the GTAP Data Base to overstate taxes on labor and understate those on capital, due to the attribution of all income taxes to labor: a simple adjustment was suggested by Gilbert Metcalf. The Center expects to implement this improvement in the GTAP 7 Data Base. As part of this process, the IMF-based tax calculations for direct factor taxes will be re-examined in light of the memorandum prepared by the MIT group.

Improvements to the commodity tax data however, will require more of the center's resources, and will likely not be possible in the coming year due to budgetary constraints

(see below). We will therefore continue to rely on indirect commodity tax rates reported by the contributors of regional data. It is hoped that the Center will work more closely with Gilbert Metcalf and the other staff members with the MIT group to incorporate better commodity tax data in the future.

c. Energy

Energy data is another high priority for the GTAP Data Base. In the GTAP 6 Data Base the energy module was significantly improved to incorporate the latest (2001) IEA energy volume data; and currently Robert McDougall and Vitaly Kharitonov are working on updating the 2001 energy price data for a special GTAP 6E Data Base. It was hoped that these prices would then be revised again to 2004 for the GTAP 7 Data Base; however, given the current resource constraints at the Center, the prices in the GTAP 6E Data Base will now simply be indexed to 2004 following the method used in previous versions of the GTAP Data Base, and these indexed prices will be incorporated into the GTAP 7 Data Base.

Sergey Paltsev indicated that MIT made their own updates to the energy price data. It is hoped that in the future there will be more collaboration with MIT on updating prices in the energy module so as to reduce duplication of efforts.

Prior to the board meeting, Nico van Leeuwen, from the CPB, advised that the tax rates on some energy flows in the GTAP 6 Data Base appeared to be too high. Robert McDougall addressed some these concerns in a memo, which along with the original memo from the CPB has been placed on the Board website, and at the board meeting. Robert McDougall concluded that while the differences in tax rates were not as large as originally suggested, there were some errors which would need to be addressed in the GTAP 7 Data Base release; namely the removal of the adjustment for taxes currently undertaken and improvements in the determination of prices in the energy data. However, some of the errors would require considerable development work which would not be undertaken in the GTAP 7 Data Base release.

d. Services Trade

Improving the bilateral services trade data is a top priority for the GTAP 7 Data Base. Arjan Lejour and others from the CPB have been working on a methodology to improve this aspect of the GTAP Data Base using data on bilateral services from the OECD. Arjan Lejour presented this work at the board meeting. The services data is now in good shape for inclusion into the GTAP 7 Data Base and bilateral services trade data for 2003 are expected to be delivered to the Center by September 2006. Robert McDougall outlined the technique to be used to incorporate the OECD bilateral services trade data, which will use the IMF services trade data as control totals. Once incorporated into the GTAP 7 pre-release Data Base it is hoped that the Services Working Committee, formed last year, will assist in the evaluation of the quality of the resulting data base.

e. Protection

There were a number of issues related to the protection data which arose at the board meeting this year.

1. Lionel Fontagné presented a very interesting comparison of the MAcMap protection data for versions 6 and 7 of the GTAP Data Base. It was generally agreed that having a consistent time series on protection data in the long run would be beneficial. This is an argument for avoiding changes in aggregation methodologies (see below) as such changes will corrupt the time series on protection. (I.e., changes from one period to the next may be due to changes in methods, as opposed to changes in the actual level of protection.)

2. The optimal weighting scheme for aggregating tariffs from the tariff line to the GTAP commodity level was again an issue for discussion. Currently the GTAP Data Base incorporates trade weighted protection rates, and offers CEPII reference group-weighted rates as an alternative which can be implemented through altertax. Hakim Ben Hammouda from the UNECA showed that for developing African countries the use of world weights might be preferable. A number of suggestions and conclusions were drawn:

   a. It was noted that for the sake of continuity, the GTAP Data Base should not change its method of aggregating protection rates (see point #1); although the choice of weighting scheme can be extremely important and hence, to assist the user, alternative weighting schemes should be offered.

   b. The availability of reference group weighted rates with the GTAP Data Base, and the method for incorporating them into the data base, should be emphasized further through better packaging and documentation.

   c. It was recognized that further work needed to be undertaken to compare the alternative weighting schemes. To facilitate this a special conference session could be organized in 2007.

   d. Antoine Bouët volunteered to undertake a technical paper on this issue. Once received, this will be circulated for peer- review. Any consortium members interested in participating in this review should inform Terrie Walmsley.

   e. It was noted that those seeking to use the reference group weighted tariffs were often put in a difficult position, since these are provided at the full GTAP-level of aggregation, yet the GTAPAgg facility, used by many members of the GTAP community, aggregates these reference group tariffs using trade weights. It was suggested that Betina Dimaranan work with Lionel Fontagné and the CEPII staff to see the reference group option could be included into GTAPAgg facility.

   f. Immediately following the board meeting, a group of board members met informally to discuss sharing tariff scenarios, computer code and alternative Doha scenarios. It was decided that two places would be established on the website to share code and scenarios; the first would allow users to share data with the entire GTAP network, and the second would permit the sharing of information on a more limited basis -- amongst board members only. It was strongly suggested that clear and concise documentation be provided when sharing code or data with the

entire GTAP network, since the Center will not be able to handle specific queries on this topic.

3. Peter Minor from Nathan Associates raised the issue of the including preference utilization rates in the GTAP Data Base. Many argued that preference utilization rates were extremely high (90%) and hence there was little value in supplying these with the GTAP Data Base; however, they were willing to share data on this subject. Interested board members were referred to the recent joint study conducted by the World Bank, ERS and CEPII on preference utilization. Gaspar Frontini noted that the EU preference-utilization rates were now publicly available.

f. Trade

Mark Gehlhar at the ERS/USDA has been an invaluable contributor to the GTAP Data Base reconciling and leading improvements in the trade data used in the GTAP Data Base. The trade data is an important part of the GTAP Data Base, and with the increase in demand for new countries and methods for dealing with sensitive issues, such as re-exports, the work required to bring the trade data together has increased exponentially. Mark Gehlhar has done an outstanding job in bringing all these data together.

Cheryl Christensen from the ERS/USDA put forward a proposal which aims to spread the work around a bit more. In particular, Mark Gehlhar would take on a leadership/coordinating role in the production of the trade data, with other groups taking on specific assignments as opportunity permits. With this in mind we have formed the *trade experts working committee*, chaired by Mark Gehlhar, which has the task of implementing this overall strategy for shared data base development. This committee will consist of those members in the GTAP network willing to devote time and energy to specific aspects of the trade data, thereby assisting Mark Gehlhar in producing the final reconciled version of the trade data for use in the GTAP Data Base.

During the discussion of the trade data used in GTAP, Lionel Fontagné raised some concerns about the methodology and replicability of trade data reconciliation. CEPII has its own approach to reconciling bilateral trade data for use in the BACI data base (which accompanies the disaggregate protection data) and there appear to be some important differences. This concern led to the creation of a separate trade users working committee, to be chaired by Robert Koopman, with members including Mark Gehlhar, Lionel Fontagné, Zhi Wang and Tom Hertel. The immediate task of this committee is to provide a detailed comparison of the different approaches to trade data reconciliation and the resulting data outcomes.

g. Documentation

The board delivered a clear message to the Center that documentation is of utmost importance in signaling quality and that the documentation of the GTAP 6 Data Base should be a high priority. Unfortunately work on the data documentation has been delayed due to unexpected problems encountered in the construction of interim releases 6.1 and 6.2. Documentation will be the first priority of the Center in the coming months.

One specific issue raised related to documentation was whether there could be a summary/overview of how the Center prioritizes the individual data bases it obtains, e.g., energy over-writes trade, trade over-writes I-O data etc.

h. Regional Data Bases

Several issues arose from discussion on the regional data in the GTAP Data Base.

Quality

An important issue relating to the national/regional data bases comprising the overall GTAP data base is the need for continued evaluation and improvements in data quality. Suggestions included:

- The production of summary tables on national accounts, trade, balance of payments, etc. for distribution to I-O contributors.

- Increased efforts to persuade others to evaluate the data; e.g., through Nathan Associates country contacts and\or World Bank experts.

- Making any evaluations undertaken on regional data, and the responses of contributors to these evaluations, publicly available on the web site so that contributors see that there work is being taken into account, and so that others can benefit from previous evaluations.

- The inclusion of notes in GTAPAgg to flag the age of the original regional data used in the GTAP Data Base, and to which version it was contributed.

- Making the results of the checks on I-O tables publicly available on the website and documenting the current checks undertaken.

- Encouraging contributors to give a suggested aggregation to show which sectors they have most confidence in.

Special Projects

There is obviously a trade-off between the extensive (more regions) and intensive (higher quality) margins of data base development. Adding new regions – particularly countries with weak national data bases – comes a some cost to overall data base quality, if only because it diverts time and resources from the kinds of tasks outline above. On the other hand, there is keen interest in extending the data base to cover new regions, since the GTAP approach can be used to generate important insights for negotiators from developing countries. A case is point is the Africa region where negotiators are attempting to finalize the Economic Partnership Agreements (EPAs) with the EU. Additional coverage is needed if GTAP is to be an effective tool in advising the African negotiators. Yet the national data sources are relatively weak. In the end, the Center's position on whether and how to extend the data base will be determined by financial resources. With dwindling support for core data activities (see below), the Board has implicitly encouraged the Center to cover its emerging financial deficit through special

projects. Accordingly, following the Board meeting, Center staff responded by aggressively seeking outside funding for data development in Africa.

African Data Base

The UNECA (and others) have made good progress towards collecting quality data for Africa and incorporating this into the GTAP Data Base. Nigeria and Mauritius were included in v6.1, and Senegal and Egypt in v6.2, and further data has also been obtained for Kenya, Cameroon and Ethiopia. Unfortunately, efforts to get the data into a GTAP-ready format have been stalled by the poor quality of the source data. This has led Mark Horridge, who is undertaking this work for the UNECA, to suggest an alternative approach; which he has outlined in the supplementary material (https://www.gtap.agecon.purdue.edu/events/Board_Meetings/2006/documents/fabdata.pdf). Following various discussions after the Board meeting, with the UNECA, the World Bank and the European Commission, it was decided that in order to accelerate the disaggregation of the African data, the process should continue along two parallel tracks.

The first track would involve the Center developing a special African GTAP Data Base which would break out a number of African countries and regional trading blocs using externally collected data. This data base would be part of a larger project aimed at building capacity in Africa which would involve course and conference participation, as well as training of African collaborators in methods for contributing I-O tables to the GTAP Data Base. Funding for this is being sought from the European Commission and the World Bank's Bank-Netherlands Partnership Program (BNPP) Trust Fund. This special data project would be separate from the standard GTAP data base.

The second track would involve the UNECA continuing to work with Mark Horridge and individuals within the region to obtain better quality I-O data for inclusion in the special African Data Base as well as the GTAP Data Base.

The two tracks are expected to benefit from one another in the following ways: a) the first track would produce a starting point from which Mark Horridge could then add additional information obtained from country I-O data; b) the first track would provide training to people within Africa on the data required by the GTAP Data Base, hence leading to improved quality; and c) the second track would provide better quality regional data for inclusion in the special African Data Base. The resulting special African Data Base is expected to be made publicly available, in an aggregated form, once completed; however, it should be noted that only those countries obtained from the second track would be incorporated into the GTAP Data Base in the interest of not diluting the quality of the standard data base.

i. Working Committees/Expert Groups

A number of working committees or expert groups were established to examine particular issues raised at the board meeting. It is expected that the chair of these committees will report back to next year's board meeting on progress.

Name	Chair	Members	Task
Services Committee	Arjan Lejour	Robert McDougall, Nico van Leeuwen, Sébastien Jean, Joe Francois, Nora Dihel, Michael Finger, Richard Brown, Patrick Jomini, Aadiya Mattoo	Working committee to examine the bilateral services trade data (raw and once incorporated into the GTAP 7 Data Base) and report back to the board next year.
Wearing Apparel and Textiles Committee	Peter Minor	Joe Francois, Terrie Walmsley	Working committee to a) report to the board next year on the results of using the SplitCom facility to address the textiles/wearing apparel classification problem and b) advise the board on the importance of the issue to the quality of the GTAP Data Base.
Energy Data Committee	John Reilly	Arjan Lejour, Sergey Paltsev, Robert McDougall, Hom Pant	Assist with checking the GTAP 6E Data Base and discuss experiences with updating energy price data.
Expert Trade working committee	Mark Gehlhar	Robert Koopman, Arjan, Zhi Wang, Nico van Leeuwen, Patrick Osakwe, Guillaume Gaulier (CEPII)	Implement a strategy for the continued production of the trade data for the GTAP Data Base. Committee members would consist of those individuals willing to contribute time and energy into specific aspects of the trade data and hence assist Mark Gehlhar in producing the final reconciled version of the trade data. This committee would compare the trade data produced by Mark Gehlhar with other trade data from CEPII and with the IMF totals.
Trade Users working committee	Robert Koopman	Martina, Cheryl, Mark G., Lionel Fontagné., Guillaume Gaulier (CEPII), Patrick Jomini, Arjan Lejour, Michael Finger, Zhi Wang	This committee would address issues of methodology and replicability trade data reconciliation procedures.

Funding Committee	Thomas Hertel	Terrie Walmsley, Hakim Ben Hammouda, Will Martin, Gaspar Frontini, Antoine Bouët, John Beyer	This committee will examine long-term funding sources for GTAP. Initial attention will be focused on foundations interested in enhancing developing country participation in the global trading system.

The following groups/forums were also identified; however they are not required to report back to the board.

Foreign Direct Investment working group	Arjan Lejour	Joe Francois, Robert Koopman, Lionel Fontagné., Gaspar Frontini, Patrick Jomini, Terrie Walmsley,	Interested in getting FDI data base together.
SplitCom working group	Open to all	Patrick Jomini, Robert Koopman, Martina Brockmeier, Peter Minor	Interested in being able to discuss issues related to the use of SplitCom.
Tariff Scenario Building Group	Open to all	Betina Dimaranan, Ginger Batta, Martina, Lionel, Patrick Jomini., Robert Koopman, Will, Masa, , Tim Buehrer, Roberta Piermartini, Marijka Kuiper, Hsin Huang, Feng Chang, Fan Zhai, Antoine Bouët	Share tariff-building scenarios, code and data over the website

D. Action Plans for the Coming Year

The following is a synthesis of the action plans for the upcoming year. Action items in **bold** depend on time and resource constraints.

Research Goal: **To actively participate in quantitative economic analysis of pressing global concerns.**

Multilateral and Bilateral Trade Agreements

1. Refine and document Dynamic GTAP Model	Terrie Walmsley	Elena Ianchovichina, Robert McDougall, Alla Golub, Rod Tyers, Ken Itakura and others

2.	Produce research papers on GMig2. Make Data Base available end of year	Terrie Walmsley	Grad student (Amer Ahmed)
3.	Facilitate GTAP-disaggregated analysis of trade policy at the tariff line level by developing a prototype application that can be applied to disaggregate strategic sectors in any GTAP analysis. This draws on the HS-6 trade and tariff data available in the MAcMap data base.	Tom Hertel and Tom Rutherford	Grad student (Jason Grant)
4.	Use the GTAP Website as a repository for baseline data	Terrie Walmsley	Ginger Batta, Robert Koopman, Marijka and Lionel Fontagné.

Global Environmental Issues

5.	Modify the GTAP-E model from technical paper 16 to create a non-aggregation specific energy model.	Alla Golub	Tom Hertel, Robert McDougall, Terrie Walmsley
6.	Extend Dynamic GTAP to include energy (GDyn-E)	Terrie Walmsley	Tom Hertel, Robert McDougall, Alla Golub
7.	Incorporate land use data into the standard GTAP Data Base.	Huey-Lin Lee	Robert McDougall, Tom Hertel
8.	Refine and document a special purpose version of the GTAP Model focusing on land use (GTAP-AEZ).	Tom Hertel	Huey-Lin Lee, Navin Ramankutty, Steven Rose
9.	Refine the methodology for producing long run projections (including GHG emissions) with a modified version of the Dynamic GTAP Model, including AIDADS demands, disaggregated land use, and improved specifications of savings and technical change.	Alla Golub	Tom Hertel, Terrie Walmsley, Huey-Lin Lee and Carlos Ludena
10.	Produce a draft book on global land use modeling in general equilibrium.	Tom Hertel	Steven Rose, Richard Tol
11.	Produce a GTAP technical paper and a 2001 data base on Green House Gas emissions, including not only CO_2 from fossil fuels, but also non-CO_2 emissions.	Huey-Lin Lee	Tom Hertel, Steven Rose (EPA)

Trade and Development

12.	Develop a module for poverty analysis in GTAP	Tom Hertel	Ken Pearson, Maros Ivanic
13.	Produce a paper on the distributional impacts of agricultural policies on farmers in rich and poor countries.	Tom Hertel	Maros Ivanic, Roman Keeney, L. Alan Winters
14.	**Produce a technical paper on linking models to GTAP**	**Robert Koopman**	**Ashley Winston, Marijke, Thomas Hertel**

*Data Goal***:   To Improve Data Products.**

15.	GTAP 6 Data Base Documentation	Betina Dimaranan	Robert McDougall, Judy Conner
16.	Update energy price data in GTAP 6 Data Base and produce GTAP 6E Data Base	Robert McDougall	Vitaly Kharitonov, Betina Dimaranan
17.	Implement the GTAP 7 Data Base release schedule	Betina Dimaranan	Robert McDougall
18.	Fix problems with the agricultural I-O disaggregation module	Robert McDougall	Betina Dimaranan
19.	Incorporate work done by CPB on bilateral services trade data into the GTAP 7 Data Base.	Robert McDougall and Arjan Lejour	Terrie Walmsley and Grad student (Amer Ahmed)
20.	Incorporate 2004 MAcMap data from CEPII into GTAP 7 Data Base	Lionel Fontagné	Betina Dimaranan
21.	Improve the income tax data in GTAP by adjusting the allocation of income taxes to capital and labor income.	Robert McDougall	Gilbert Metcalf
22.	**Examine ways to further improve the commodity tax data for the GTAP 7 Data Base.**	**Robert McDougall**	**Tom Hertel, Gilbert Metcalf, John Reilly and Grad student**
23.	Incorporate information from updated literature survey on the primary factor shares in agriculture	Betina Dimaranan	Tom Hertel, Grad student (Nelson Villoria)
24.	**Incorporate Maros Ivanic's value added splits**	**Betina**	**Tom Hertel, Grad**

into version 7 of the GTAP Data Base.	**Dimaranan**	**student (Nelson Villoria)**
25. Update energy volume data for incorporation into GTAP 7 Data Base.	Robert McDougall	Huey-Lin Lee, Betina Dimaranan, Vitaly Kharitonov
26. Update energy price data in GTAP 7 Data Base.	**Robert McDougall**	**Vitaly Kharitonov, Betina Dimaranan**
27. Continue efforts to obtain new I-O tables for China, Africa and Latin America, as well as other regions where the opportunity presents itself.	Terrie Walmsley	Fan Zhai, Patrick Osakwe, Robert Koopman, Antoine Bouët
28. Continue to improve the quality of national I-O data through the construction of new programs extracting national account data and adding flags to GTAPAgg.	**Terrie Walmsley**	**Ginger Batta, Grad student (Tasneem Mirza)**
29. Hire a new staff member to assist with the production and documentation of the GTAP Data Base	Tom Hertel	Terrie Walmsley, Betina Dimaranan, Robert McDougall
30. Develop a special data base with substantial African disaggregation.	Betina Dimaranan	Terrie Walmsley, Robert McDougall, new data hire
31. Form expert trade data working committee headed by Mark Gehlhar to oversee production of GTAP 7 trade data.	Mark Gehlhar	Robert McDougall, Lionel Fontagné, Zhi Wang
32. Examine ways to fill in missing trade data e.g., in Africa	Mark Gehlhar	Patrick Osakwe, Betina Dimaranan, Will Martin, Marijka
33. Establish a Trade data users forum to evaluate the quality and documentation of the trade data (starts with a Comparison of CEPII and Mark's trade data)	Robert Koopman	Martina, Cheryl, Mark G., Lionel, Patrick Jomini, Robert Koopman, Arjan, Michael Finger, Zhi Wang
34. Examine changes to GTAPAgg for aggregating reference group weights data	Betina Dimaranan	Lionel Fontagné
35. Technical paper on comparing alternative weightings of tariffs	Antoine Bouët	

36. Provide "better packaging/documentation" to emphasize default and alternative tariff weighting scheme	Betina Dimaranan	
37. Share tariff-building scenarios, code and data over the website.	Betina Dimaranan	Ginger Batta, Martina, Lionel, Patrick Jomini, Robert Koopman, Will, Masa, Tim Buehrer, Roberta Piermartini, Marijka Kuiperm, Hsin Huang, Feng Chang, Fan Zhai, Antoine Bouët
38. Set up a SplitCom user group	Ginger Batta	Martina, Patrick Jomini, Robert Koopman, Peter Minor
39. Examine ways in which the data can be viewed to make it more readily accessible and usable in its own right – also adding ample "health warnings".	**Ginger Batta**	**Tom Hertel, Terrie Walmsley, Grad student (Tasneem Mirza),**
40. Working committee to explore approaches for addressing classification problem in textiles and wearing apparel and report to the board next year	**Peter Minor**	**Terrie Walmsley, Joe Francois, Grad student**

*Education Goal***: To Expand and Improve Global Economic Analysis Education Worldwide (both within and outside the network).**

41. Hold Fourteenth Annual GTAP Short Course at Purdue in August, 2006	Terrie Walmsley	Judy Conner, Betina Dimaranan, Tom Hertel, Huey-Lin Lee, Robert McDougall, Ginger Batta
42. Hold Dynamic GTAP Short Course at Purdue in October 2006	Terrie Walmsley	Judy Conner, Robert McDougall, Tom Hertel, Betina Dimaranan

*Model Goal***:   To Improve Understanding and Credibility of GTAP-Based Models.**

43. Finalize Technical Paper on adjustment cost	Joe Francois	Terrie Walmsley, Tom Hertel, Grad student

		(Vitaly Kharitonov)
44.	Estimate new set of consumer demand elasticities, for use in GTAP Data Base. Produce a draft technical paper introducing a new final demand system into GTAP (AIDADS)	Tom Hertel	Grad student (Tasneem Mirza)
45.	**Collaborate with USITC on model validation and parameter estimation**	**Terrie Walmsley**	**Tom Hertel, Grad student**

Network Goal: **To Increase Effective Participation in the Global Network, Particularly in Developing Countries.**

46.	Organize the Tenth Annual Conference on Global Economic Analysis to be held at Purdue University, USA, June 2007	Tom Hertel	Wally Tyner, Ginger Batta, Judy Conner, Terrie Walmsley
47.	Work with the group in Finland to refine their planning for the 2008 Conference on Global Economic Analysis to be held in Helsinki.	Tom Hertel	Ginger Batta, Judy Conner, Terrie Walmsley
48.	Solicit proposals for the 2009 Conference on Global Economic Analysis to be circulated to the Board in December, 2006.	Tom Hertel	Ginger Batta, Judy Conner, Wally Tyner Terrie Walmsley
49.	Explore funding opportunities for developing country scholarships for the 2007 conference.	Wally Tyner	John Beyer, Frank van Tongeren, Paolo Giordano, Will Martin, Marco Fugazza, Joe Francois, Hom Pant

Other Center:

50.	Hire Program Manager	Terrie Walmsley	Ginger Batta, Judy Conner, Betina Dimaranan
51.	Hire Data Person	Terrie Walmsley	Tom Hertel, Betina Dimaranan, Robert McDougall
52.	Form committee to explore long-term funding source	Thomas Hertel	Terrie Walmsley, Hakim Ben Hammouda, Will

E. Members at large

Alan Powell presented a proposal for an academic committee to replace the members at large. This proposal was accepted. We plan to add at least one member to this committee in the coming year, since Alan is retiring from the Board.

F. Research Fellows

The following individuals were nominated as research fellows: Kym Anderson, Peter Dixon and Navin Ramankutty. Elena Ianchovichina and Hans Jensen were also re-nominated for a second 3-year period.

The members of the Research Fellow Nominating Committee included Patrick Jomini (PC), Will Martin (WB), John Reilly (MIT) and Arjan Lejour (CPB) from the board, and Betina Dimaranan from the Center.

Patrick Jomini raised a number of proposals at the board meeting related to the nomination of research fellows:

1. That the number of nominations (including re-nominations) be limited to eight.

2. That once a person had been re-nominated twice, and hence served 9 years, on the 3rd re-nomination they would be granted a lifetime award.

The proposals were accepted.

Patrick Jomini also requested that nominations be accompanied by a short nomination statement and a longer statement which refers specifically to their contributions to GTAP.

Both Patrick Jomini and Will Martin have now served two years and hence two new committee members will be required.

G. Conferences

2007 Conference

Thomas Hertel presented an overview of the 10th Annual Conference to be held at Purdue University in West Lafayette, IN, USA.

2008 Conference

Juha Honkatukia presented an overview of the 11th Annual Conference to be held in Helsinki, Finland.