



UNCTAD Report to the GTAP Advisory Board Meeting
June 4-5, 2007, West Lafayette, USA

1. UNCTAD Activities

GTAP utilities have been used essentially to shed some light on issues of major concern to developing countries policy makers.

a. Technical Assistance

An important activity in UNCTAD is to provide Developing countries with technical assistance in WTO negotiations. As it was already the case last year and because negotiations are still on-going, technical assistance has been essentially focusing on the production of simulations of the various NAMA modalities currently under discussion. These exercises have been essentially country/region focus. Some attention was also paid to possible consequences in terms of sectoral adjustment to new international market access conditions.

b. GTAP applications in 2006-2007

RTAs and WTO compatibility: Catch me if you can? The case of EPA negotiations, by Lucian Cernat, Bonapas Onguglo, and Taisuke Ito, to be presented at the GTAP conference, La Fayette, June 2007.

A South-South Survival Strategy: The potential for trade among developing countries, by Marco Fugazza (UNCTAD) and David Vanzetti (University of Canberra), first draft presented at the GTAP conference, Lübeck, 9-11 June 2005. An updated version is forthcoming in the *World Economy*.

A new geography of preferences for Sub-Saharan African countries in a globalizing trading system, by Marco Fugazza (UNCTAD), to be presented at the GTAP conference, La Fayette, June 2007 and forthcoming in **Interpreting Globalization: European Perspectives**, edited by Pompeo Della Posta, Milica Uvalic and Amy Verdun, *Palgrave MacMillan*.

Non tariff Barriers in a Non Tariff World, by Marco Fugazza (UNCTAD) and Jean-Christophe Maur (DFID), presented at the GTAP conference, Addis Ababa, 15-17 June 2006 and processed November 2006.

c. Modeling

In last year report it was argued that efforts should be devoted to improving the GTAP set up in order to deal more appropriately with Non-Core Non Tariff Barriers with a focus on technical regulations following UNCTAD classification. Recent developments in GTAP modeling introducing firm's heterogeneity can be seen as a promising basis for an appropriate introduction of export constraints linked to those NTBs.

2. Capacity Building at UNCTAD

UNCTAD is attempting to increase the internal use as well as the number of users of GTAP utilities.

a. Participation in GTAP short course

UNCTAD resources for individual training have been further limited due to budget restrictions. This implies that participation of any staff in external courses is still limited.

b. Internal Training

The internal use of GTAP has been promoted through collaboration between users and non-users. An example is the paper by Cernat, Onguglo and Ito.

3. Data Issues

UNCTAD has been intensifying its activities in the collection of data on NTBs. In July 2006, the Secretary-General of UNCTAD established a Group of Eminent Persons on NTBs (GNTB) to address various issues on NTBs, including, inter alia, an urging need for developing a unique definition and classification of NTBs. So far, data have always been collected and identified by different institutions for different purposes in different ways using different sources of information. The Multi-Agency Support Team (MAST) for the GNTB¹ held its first meeting in Washington in October 2006. The Group agreed to build upon the UNCTAD database, contained in TRAINS, making adjustments to the original classification of measures, and adding to the data their own information that has been collected by other means. As a consequence of this dialogue a programme has been started and aims to establish a commonly agreed classification and useful database that will serve for negotiation purposes, as well as research on the impacts that these measures may have on trade.

The second MAST meeting took place at FAO headquarters in Rome on 5 April 2007. The Team discussed the proposals on NTB Classification and WEB-based data collection portal prepared and presented by UNCTAD. On the classification, four sub-groups have been established to further study specific areas. These are: SPS; TBT; Production Subsidies; and Procedural Barriers. Each subgroup is to report the proposal to UNCTAD by the end of May 2007. On the data collection portal, the idea was generally accepted by the Team members and it was decided that both classification and data collection would be tested in a pilot project covering 5-6 countries, which should start as soon as necessary funding has been secured from donors.

¹ MUST is composed of FAO, IMF, ITC, OECD, UNCTAD, UNIDO, the World Bank and WTO. In the October meeting, representatives from USDA and USITC were also invited as well as two academic trade experts, Robert Feenstra and Joseph Francois in their personal capacity.