

GTAP-related Activities 2012-2013

June 2013

Research Institute of Economy, Trade and Industry (RIETI)

The Research Institute of Economy, Trade and Industry (RIETI) is a policy think tank established in 2001. Its mission is to conduct theoretical and empirical research, maximize synergies with those engaged in policymaking, and to make policy proposals based on evidence derived from such research activities. The institute is highly regarded both in Japan and abroad for its activity over the past ten years.

The GTAP model simulation studies have been utilized to analyze the impacts of several structural policy measures like trade and investment liberalization, climate change and economic development.

During the last year, the progress of bilateral and multi-lateral Economic Partnership Agreements (EPAs) has accelerated, which has included the Trans-Pacific Partnership (TPP), a China-Japan-Korea (CJK) EPA and Regional Comprehensive Economic Partnership (RCEP) toward the establishment of a Free Trade Area of the Asia-Pacific (FTAAP) as well as a Japan-EU EPA and a Transatlantic Trade and Investment Partnership (TTIP). Researches into them at RIETI have made major contribution to studying the economic impacts of those EPAs in particular in policy arena.

1. The TPP

The Japanese Prime Minister Abe expressed his intension to participate in the negotiations on the TPP at the press conference in mid-March this year. It was followed by the press release of the Government's estimates on the economic impacts of TPP participation on the Japanese economy. Until that time, earlier studies shown in Kawasaki (2011)* had been widely reported by media and frequently been cited in political debates including those at the Diet as the GTAP analysis.

* Kawasaki, Kenichi (2011), "Determining Priority among EPAs: Which trading partner has the greatest economic impact?" RIETI Column 218, 31 May 2011
http://www.rieti.go.jp/en/columns/a01_0318.html

It has also been presented at the following international conferences and discussed at one-on-one meetings with senior government officials of Japan and other economies in Asia-Pacific.

- "Priority among EPAs - Impacts of Trade Liberalization", 2012 ROC (Taiwan) - US
- Japan Trilateral Dialogue: An Economic Security Perspective, Heritage Foundation

& Chung-Hua Institution for Economic Research, Taipei, December 18, 2012

- “Economic Impacts of EPAs – GTAP Simulations”, JIIA Forum “TPP and Growth Strategies in the Asia-Pacific from the Perspective of Economic Outcomes Analysis”, Japan Institute of International Affairs (JIIA), Tokyo, March 19, 2013

2. A Japan-EU EPA

The estimated impacts of a Japan-EU EPA in above column were also presented at below various international seminars/meeting.

- “Priority among EPAs - Impacts of Trade Liberalization”, Japan - EU Business Seminar: Future of Japan and Europe Partnership for Growth, Science Po & JETRO Paris, Paris, October 9, 2012
- “Priority among EPAs - Impacts of Trade Liberalization”, Japan - EU Business Seminar: Future of Japan and Europe Partnership for Growth, Japan-German Center & JETRO Berlin, Berlin, October 11, 2012
- “Priority among EPAs - Impacts of Trade Liberalization”, Japan - EU Business Seminar: Future of Japan and Europe Partnership for Growth, Hamburg Chamber of Commerce & JETRO Hamburg, Hamburg, October 12, 2012
- “Priority among EPAs - Impacts of Trade Liberalization”, ECIPE Lunch Seminar, “Market Integration in the Far-East: Global Implications of TPP, RCEP and CJK”, European Centre for International Political Economy (ECIPE), Brussels, January 18, 2013
- “Impacts of Trade Liberalization: GTAP Model Simulations”, The EU Trade Counselors Meeting, Delegation of the European Union to Japan, Tokyo, May 8, 2013

Among others, it was cited in the impactful paper by Lee-Makiyama (2012)**, which was widely circulated to EU policy makers including the European Parliament members before the European Commission was given the mandate to negotiate a Japan-EU EPA from the Parliament. It was also cited in the report by the Commission’s Directorate-General for External Policies***.

** Hosuk Lee-Makiyama (2012), “Upholding Europe’s Mandate on Trade”, *ECIPE Policy Brief No. 11/2012*, European Centre for International Political Economy, November 2012

http://www.ecipe.org/media/publication_pdfs/PB201212.pdf

*** European Union (2013), “The Trans-Pacific Partnership and its impact on EU Trade”, Policy Briefing, Policy Department, Directorate-General for External Policies, February 2013

<http://www.europarl.europa.eu/delegations/es/studiesdownload.html?languageDocument=EN&file=91074>