

Please find below a short note on the current and planned GTAP related activities at the European Commission:

1) Current and planned use of the database and the model in the trade area:

- Next WTO trade negotiations,
- EU-Mediterranean countries agreements,
- EU-South Africa agreement,
- EU-Mercosur agreement.

2) External GTAP related studies in progress and financed by the EU:

a) Main aims of the EU Commission financed FAIR research project "Assessment of the GTAP modelling framework for policy analysis from a European perspective" are to test the usefulness of the GTAP framework (model and database) as an analytical tool for (transboundary) policy issues important to the EU (WTO/agricultural reform, enlargement, environment) and to develop a European network of researchers involved in international trade, resource and environmental modelling. The project in the form of a concerted action (where the emphasis is on pooling and networking research groups working on similar topics) started in February this year and will run over 21 months. It involves 10 European partners, including several Consortium members. From the EU (ag) policy side the main interest in GTAP is twofold. It is expected to be a widely used tool in the next WTO round of agricultural trade negotiations. It is therefore of interest to develop European expertise to at a minimum be able to evaluate the tool and results as used and produced by others and to use it if proven useful. And secondly to test applicability to European issues such as enlargement (assessing the impacts of integration on the agrofood sector in an economy wide setting). A third spin off could be assessment of the usefulness as a quantitative tool for certain (transboundary) environmental issues.

b) Next WTO trade negotiations (external study already decided)

c) Planned developments in the very near future:

- Disaggregation of the European database (already agreed and launched) - Disaggregation of the database to the Central and Eastren countries
- (forthcoming project) - energy/enviroment related developments (agreed)