UNCTAD/ESCAP- ARTNeT Capacity Building Workshop on

"Non-Tariff Measures: economic assessment and policy options for development"

3-6 July 2018, Bangkok, Thailand

DRAFT PROGRAMME

Tuesday, 3 July 2018 – *NTMs: Policy Implications*

08:30 – 09:00   Registration

09:00 – 09:30   Welcoming remarks and Overview
- UNCTAD
- ARTNeT/ ESCAP
- Group photo

09:30 – 11:00   Session 1 – NTMs' implications for international trade and economic development

NTMs have become a key factor influencing international trade, and have implications for economic development, particularly for countries pursuing a development strategy built around integration into world markets. This session will provide an overview the UNCTAD book on NTMs. It will discuss the implications of NTMs for market access economic integration. It will present some policy options for governments to minimize negative effects of NTMs.

a. *NTMs what are they?*
b. *Use of NTMs: what purpose they serve and how are they used?*
c. *Impact of NTMs on international trade.*
d. *Minimizing the costs of associated to NTMs*

11:00 – 11:15   *Break*

11:15 – 12:30   Session 2 – Political economy of NTMs

As many forms of NTMs have a strong impact on the domestic economy and development strategies one question relates to the treatment of NTMs in trade agreements. This session will review the basic rules and disciplines embodied in WTO agreements and the extent to which these constrain the ability of governments to use different types of NTMs.

a. *Trade agreements and NTMs*
b. *Transnational effects of NTMs*

- *CHP2: Hoekman B and Nicita A. Non-tariff measures and trade facilitation: WTO disciplines and policy space for development.*
- *Ederington J and Ruta M (2016). Non-tariff measures and the world trading system. In: Bagwell K and Staiger RW, eds. Handbook of Commercial Policy. Volume 1. Elsevier.*
- *Rodrik D. (2018) What do trade agreements really do? Journal of Economic Perspectives, 32:2 73-90*

12:30 – 13:45   Lunch break

13:45 – 15:15   Session 3 – Linkages and policy implications for sustainable development

Trade policy today increasingly involves the use of NTMs that are not necessarily designed to restrict or to encourage trade but that address non-trade regulatory objectives. Many of these objectives have direct implications for the Sustainable Development Goals (SDGs). This session will review the linkages between NTMs and SDGs and which types of trade policies can help to realize the SDGs.

    a. *NTMs relationships with some of the SDGs*
    b. *NTMs transnational enforcing mechanisms*
- *CHP2: Hoekman B and A Nicita. Non-tariff measures and trade facilitation: WTO disciplines and policy space for development.*
- *Trading into sustainable development: trade, market access and the sustainable development goals, UNCTAD 2016.*
- *Rodrik, D. (2017) Is Global Equality the Enemy of National Equality? HKS Working Paper No. RWP17-003.*
- *Ederington, J. (2001). "International Coordination of Trade and Domestic Policies." American Economic Review, 91 (5): 1580-1593.*

15:15 – 15:30   *Break*

15:30 – 16:30   Session 4 – Building an indicator to evaluate the effect of NTMs on SDGs

This session will present ESCAP/UNCTAD ongoing work which aims to build an indicator to measure and monitor the impact of NTMs on the progress towards achieving the SDGs. The objective is to develop a composite index (comprised of indicators) to measure impact of countries' use of NTMs in achieving economic, social and environmental development. The index will thus complement and integrate existing SDGs indicators to allow government officials to monitor their countries' progress towards the SDGs.

Wednesday, 4 July 2018 – Analysis of NTMs

09:00 – 09:15   General overview

This session will provide a general overview on NTMs and it will discuss the outline of the day's session.

09:15 – 10:45   Session 5 – Overview of the Data on NTMs

This session will present the NTM classification and various categorizations. It will illustrate various data sources and discuss the characteristics and limitation of the existing data on NTMs. This session will also illustrate essential methods in the analysis of NTMs. It will discuss various types of indices and their interpretation for economic analysis. This session will present descriptive statistics of NTMs.

    a. *NTM Classification*
    b. *Data sources*
    c. *Data limitation*
    d. *Descriptive Statistics and Indices*
    e. *Interpretation of indices for policy analysis*
  - *CHP3: Melo J and Nicita A. Non-Tariff Measures: Data and Quantitative Tools of Analysis*

10:45 – 11:00   *Break*

11:00 – 12:30   Session 6 – Quantitative assessments

This session first presents the economic effects of various types of NTMs, mostly at an intuitive level through graphical analysis. This session then targets quantitative assessment of NTMs and its effects of international trade. Econometric methods to estimate ad valorem equivalents will be discussed along with methods to measure distortionary costs of NTMs and show the importance of cost-raising effects of NTMs for developing countries

    a. *Use of indices for quantitative assessment*
    b. *Methods of assessments and their limitations*

  - *CHP4: Melo J and B Shepherd. The Economics of Non-Tariff Measures: A Primer*
  - *CHP5: Beghin J and B Xiong. Trade and welfare effects of technical regulations and standards*
  - *Cadot O. et al. (2014). Deep regional integration and non-tariff measures: a methodology for data analysis. UNCTAD*
  - *Kee HL & A Nicita & M Olarreaga, 2009. "Estimating Trade Restrictiveness Indices," Economic Journal,*
  - *Nicita A and J Seiermann (2017) G20 Policies and Export performance of Least Developed countries. UNCTAD*

12:30 – 13:45   Lunch break

13:45 – 15:15   Session 7 – Presentation of two case studies part of the UNCTAD book on NTMs

This session will provide an overview of the methods and findings of two case studies in the UNCTAD book on NTMs.

  - *The Rising importance of Non-Tariff measures in China's Trade Policy*

(Zhaohui Niu)

- *Do Non-Tariff Measures Matters? Assessing the Impact of Technical Measures to Trade on Exports of Pakistan (Aadil Nakhoda)*

15:15 – 15:30   *Break*

15:30 – 16:15   Session 8 – Introducing an online gravity modelling learning tool

The final session will introduce an online learning modelling tool developed by ESCAP to introduce policymakers and researchers to gravity modelling estimation. This model, while encompasses traditional gravity modelling parameters such as tariffs, distance, etc, has been extended to include NTM variables.

16:15 – 16:45   UNCTAD/ARTNeT General Conclusion and Q&A

Thursday, 5 July 2018 – Analysing NTM data using R

R is a language and environment for statistical computing and graphics. R is not only a powerful and flexible environment in which to implement statistical techniques; it is also a free software, which runs on a wide variety of platforms and similar systems, such as UNIX, Windows and MacOS. Participants will be introduced to R and learn how to use it to analyse NTMs, and their impact on trade and trade costs.

09:00 – 09:15   General overview

> *This session will provide a general overview of R programming language, as well as its benefits and limitations.*

09:15 – 10:15   Session 1 – Introduction to R

> *This session will give a hands-on introduction to R, by the end of which participants will be able to*
>
> a. *Import data*
> b. *Subset data (select specific rows/columns)*
> c. *Manipulate data using formulas*
> d. *Obtain summary statistics*

10:15 – 10:30   *Break*

10:30 – 11:30   Session 1 – (continued)

11:30 – 12:30   Session 2 – Basic graphics

> *An overview of R's graphical capabilities will be provided. By the end of the session, the participants will*
>
> a. *Create basic histograms, pie charts, bar graphs and line graphs*
> b. *Adjust parameters (i.e. colors, thickness, fonts, etc).*

12:30 – 13:30   Lunch break

13:30 – 14:30   Session 3 – Constructing descripting statistics on NTMs using R

> *This session will use UNCTAD's TRAINS NTM dataset to construct descriptive statistics of NTMs discussed during the previous day.*

14:30 – 14:45   *Break*

14:45 – 16:15   Session 4 – Gravity modelling and NTMs

> *This final session will analyses trade data and NTMs to derive AVEs, as well as introduce the participants to the ESCAP/World Bank trade cost dataset.*

16:15 – 16:45   Conclusion and Q&A

Friday, 6 July 2018 – Analysing the impact of NTMs on wider economy

During the last day of the workshop, participants will be provided with additional tools to analyse the impact of tariffs and NTMs, namely Input / Output table analysis and SMART analysis through WITS.

09:00 – 10:15   Session 1 – SMART analysis through WITS

                                      This session will introduce the participants to World Bank's SMART partial equilibrium modeling tool, explain the theory and limitations, before applying it to hypothetical tariff to tariff liberalization as well as tariff imposition scenarios

10:15 – 10:30   *Break*

10:30 – 10:00   Session 1 – (continued)

12:00 – 13:00   Lunch break

13:00 – 14:30   Session 2 – Introduction to Input/output analysis

                                      This session will start with giving the participants with theoretical underpinning of Input/output (IO) analysis, followed by exercises using simple toy models, before applying the methodology on actual I/O tables of Sri Lanka.

14:30 – 14:45   *Break*

14:45 – 16:15   Session 2 – (continued)

16:15 – 16:45   Conclusion and presentation of certificates